REPORT

OF THE

TARIFF COMMISSION,

TOGETHER WITH

MINUTES OF PROCEEDINGS AND EVIDENCE,

PROPOSED AMENDED TARIFF,

AND

ESTIMATE OF THE FINANCIAL EFFECT OF THE PROPOSED TARIFF.

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

NEW ZEALAND.
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1895.

NEW ZEALAND.

TARIFF COMMISSION.

(REPORT OF THE, TOGETHER WITH MINUTES OF PROCEEDINGS AND EVIDENCE, PROPOSED AMENDED TARIFF, AND ESTIMATE OF THE FINANCIAL EFFECT OF THE PROPOSED TARIFF.)

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

COMMISSION.

VICTORIA, BY THE GRACE OF GOD, OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND QUEEN, DEFENDER OF THE FAITH, AND SO FORTH.

To all to whom these presents shall come, and to our trusty and loving subjects the Honourable WILLIAM JUKES STEWARD; WILLIAM HUTCHISON, Esquire; WILLIAM WILCOX TANNER, Esquire; JAMES MCGOWAN, Esquire; JOHN STEVENS, Esquire; JOHN DUTHIE, Esquire; and THOMAS MACKENZIE, Esquire, Members of the House of Representatives.

WHEREAS it is deemed expedient to appoint Commissioners for the purpose of holding inquiry into the working of the present Tariff of Customs and Excise Duties:

NOW, THEREFORE, know ye that We, reposing especial trust and confidence in your knowledge, integrity, and ability, do by these presents authorise and appoint you, the said

WILLIAM JUKES STEWARD,
WILLIAM HUTCHISON,
WILLIAM WILCOX TANNER,
JAMES MCGOWAN,
JOHN STEVENS,
JOHN DUTHIE,
THOMAS MACKENZIE,

to be Commissioners to inquire into the incidence and working of the present Tariff of Customs and Excise Duties and exemptions, in relation to the producing and manufacturing industries, and the trade and commerce of the colony; and to report upon what changes are necessary or desirable for the further encouragement of production, manufacture, and trade as far as they are affected by the law now in force. In such inquiry and report due care is to be taken to ascertain and report how far the said changes are expected to affect the revenue at present obtained from Customs and Excise Duties.

And, for the better enabling you to carry these presents into effect, We do hereby authorise you to make and conduct any inquiry into these presents at such place or places in our Colony of New Zealand as you may deem expedient, and to call before you and examine such persons as you may judge necessary, by whom you may be better informed of the matters herein submitted for your consideration, and to inquire of and concerning the premises by all lawful ways and means whatever.

And We do further appoint you the said William Jukes Steward to be Chairman of the said Commissioners, and do direct that the mode of holding the said inquiry shall, subject to the terms of these presents, be as follows:—

1. Any three or more of the said Commissioners, of whom you the said Chairman shall be one, shall hold such inquiry at such centre or centres of population in our said colony as shall be thought fit, the Commissioners to sit with the Chairman in such case being those, as nearly as may be, usually resident in or near to the place at which the inquiry is held; and such three or more Commissioners shall, in and for the purpose of such inquiry hereby authorised, have, and may exercise, all the powers vested in the said Commissioners as a whole: Provided that nothing herein shall be deemed to interfere with or prevent the Commissioners as a whole, or any of them, from sitting at any place or for any purpose authorised hereby, should they deem it necessary for the purpose of this inquiry.

2. At each sitting of the Commissioners the evidence given before them shall be carefully taken down and recorded, and then, or afterwards, fairly transcribed, and signed by the person giving such evidence, and the same shall be preserved for consideration and transmission as hereinafter directed.

3. On the completion of the inquiry the several Commissioners shall assemble at such place or places in our said colony as they may determine, and, after consideration of all the evidence taken, shall make a report to Us of their proceedings under these presents, as hereinafter provided.

4. The powers of the Commission shall continue and subsist although the same be not regularly continued from time to time or from place to place by adjournment.

And We do lastly direct that, using all diligence in the premises, and not later than the thirtieth day of April next, you the said Commissioners shall, after due consideration of all the evidence taken under these presents, report to Us, under your hands and seals, your opinion in the said several premises, and shall transmit such report to Us on or before the date aforesaid, together with the evidence aforesaid, and all records and documents relating thereto.

In testimony whereof We have caused these our Letters to be made patent, and the Seal of our said Colony to be hereunto affixed, at Wellington, in the said colony, this twenty-sixth day of January, in the year of our Lord one thousand eight hundred and ninety-five, and in the fifty-eighth year of our reign.

Witness our trusty and well-beloved David, Earl of Glasgow; Knight Grand Cross of the Most Distinguished Order of Saint (L.S.) Michael and Saint George; Governor and Commander-in-Chief in and over Her Majesty's Colony of New Zealand and its Dependencies, and Vice-Admiral of the same.

Approved in Council. GLASGOW.

REPORT.

To His Excellency the Right Honourable David, Earl of Glasgow; Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George; Governor and Commander-in-Chief in and over Her Majesty's Colony of New Zealand, and Vice-Admiral of the same.

May it please your Excellency,—

We, the members of the Commission appointed by your Excellency on the 26th of January last "to inquire into the incidence and working of the present tariff of Customs and excise duties and exemptions, in relation to the producing and manufacturing industries, and the trade and commerce of the colony; and to report upon what changes are necessary or desirable for the further encouragement of production, manufacture, and trade, as far as they are affected by the law now in force," have the honour to report as follows:—

2. The Commission assembled in Wellington on the 4th day of February, and, after examining witnesses in that city, proceeded to the South Island, returning thence on the 5th April, and sitting again in Wellington until the 13th of the same month. Thence the Commissioners proceeded to visit other towns in the North Island, and arrived finally in Wellington on the 8th day of May instant. They have visited in the order named the following centres of population: Wellington, Christchurch, Dunedin, Invercargill, Mataura, Oamaru, Waimate, Timaru, Ashburton, Hokitika, Greymouth, Brunnerton, Westport, Nelson, Blenheim, Palmerston North, Marton, Wanganui, New Plymouth, Auckland, Thames, Hamilton West, and Napier.

3. The Commissioners have travelled over three thousand miles, and in all 475 witnesses have appeared before them, whose evidence will be found appended to this report.

4. In addressing themselves to the important duty confided to them by your Excellency, the Commissioners have approached their task neither from the point of view of Protectionists nor from that of Free-traders, but, strictly in accordance with your Excellency's Commission, have endeavoured to ascertain wherein the existing tariff unduly presses upon the taxpaying public, and wherein it is possible to relieve that pressure by reducing the rates on certain articles, and also where inconsistencies in the tariff might be removed, and they have sought to render the reductions recommended financially possible by imposing countervailing increases on articles which may properly be classed as luxuries. During their investigations it has been abundantly proved that inconsistencies do exist in almost every department of the tariff to which the attention of the Commissioners has been directed. As will be seen by the printed evidence, from almost every part of the colony, and from all branches of trade, complaints have been received of difficulties of interpretation, and of alleged arbitrary classification of goods by Customhouse officers, the circumstances complained of having arisen from the frequent ambiguity of the tariff, and from the practical impossibility in many cases of distinguishing as between various classes of goods, and as to the rate under which such goods should be placed. The local Customhouse officers, in most cases, have given the benefit of any doubt in favour of the revenue by placing the goods in regard to which such doubt existed under the highest duty to which they could be subjected, leaving the importer to use his legal remedy of appealing to the Commissioner of Customs against such action; but it would be more satisfactory, not only to importers, but also to the officers themselves, that the occasion for such disputes and appeals from local decisions should be removed by the tariff being made clear and explicit. With this view, your Commissioners, in submitting an amended tariff, have endeavoured to avoid difference in rates as between goods which are either nearly identical or so closely approach one another as to be difficult of distinguishment. They have also endeavoured to make the rates of duty applicable to any one class of goods as few as possible; and they think that the tariff as now submitted will largely attain this object.

5. In travelling through the country there have been submitted to your Commissioners, almost necessarily, questions either altogether or in part outside the scope of your Excellency's Commission, and, not being authorised to make any recommendations on the matters referred to, they simply submit the evidence thereupon for the consideration of your Excellency's Advisers. The matters referred to will be found in the printed evidence. They are as follow:—

Mining Industry. (1.) The question of assistance to the mining industry in the only district (Auckland) in which gold duty is payable, as a countervail to the taxation through the Customs, which is alleged to press with especial severity upon the mining population.

Bonuses for prospecting. (2.) The question of the advisableness of assisting the development of the mining industry by means of bonuses for prospecting.

The islands trade. (3.) The question of extending the trade of New Zealand amongst the islands of the Pacific, in connection with which subject evidence, supplemented by a map of proposed new steam routes, was given by Mr. Coleman Phillips, and will be found in the Appendix to this report.

Riparian rights. (4.) The question of the valuation for taxation purposes of riparian rights.

Primage duty. (5.) The question of imposing a small *ad valorem* duty of, say, not exceeding 2½ per cent. upon goods otherwise free under the tariff, on the ground that all imports should pay a share of the cost of the Customs establishment.

Japanese furniture. (6.) The question of the desirableness of absolutely excluding importations of Japanese furniture, on the ground that many of those articles are infested with a worm which would be destructive to furniture manufactured of wood if it became established in this colony.

Imported fruit-trees and insect-pests. (7.) And the question of the prohibition of the importation of fruit-trees, on account of the cognate danger of the introduction of insect-pests and diseases new to this colony.

Your Commissioners, however, venture to express the opinion that some of these questions—the last-mentioned especially—are worthy of consideration, and it seems to them that it might be possible to deal with the matter of imported fruit-trees by legislation in a similar manner to the provision made by law in regard to imported live-stock—viz., by requiring in the case of fruit-trees, as in the case of cattle, a period of quarantine.

Photographic copyright. 6. The Commissioners have also had brought under their notice a grievance on the part of photographers, to remedy which legislation would be necessary—viz., in reference to the question of copyright as relating to photographs (*vide* the evidence of Mr. Iles at the Thames). It would appear from the evidence of this witness that a copyright in regard to photographs costs 3s. in New Zealand, and extends to the colony only, whereas a similar copyright obtained in the United Kingdom costs only 1s. 6d., and extends to the whole Empire. This is a matter which would seem to require adjustment.

7. Before proceeding to remark upon the amended tariff as prepared by your Commissioners, and now respectfully submitted to your Excellency, they desire to refer to certain other matters upon which they have felt it their duty to make recommendations.

New Zealand wine. 8. The first of these relates to the New Zealand wine industry. The evidence taken shows conclusively that there are considerable areas of land in the colony well adapted to viticulture. Indeed, your Commissioners have been surprised to find how greatly the cultivation of the vine and the manufacture of wines from grapes and from other fruits has progressed within the last few years. There are in the various provincial districts, from Auckland to Otago, several wine-makers who hold at the present moment stocks amounting to from 4,000 to 8,000 gallons each. Some of these wines, especially those which have had the advantage of three or four years' cellarage, are of a very palatable nature, and compare not unfavourably with the cheaper classes of Australian wines. It has been represented to your Commissioners on many occasions that the extension of

this industry will be prevented if the present duty be removed from the imported wines, and it has been further alleged that if the *status quo* be maintained considerable areas in addition to those now in vineyard or under fruit-cultivation will be planted, and they have been urged to recommend that effect be not given to the proposal for reciprocal free-trade between South Australia and New Zealand so far as it relates to the wine industry. Your Commissioners, without expressing an opinion on the proposed treaty to which allusion has been made, consider that the advantages to be derived from intercolonial reciprocity are sufficient to outweigh the local considerations which have been presented. In this connection they draw attention to the fact that some of the wine-manufacturers have stated that they would not object to be brought into competition with free Australian wine provided they were permitted, subject to the licensing-law, to sell wines of their own manufacture by the bottle; and they venture to suggest that this representation should be taken into consideration by your Excellency's Advisers.

Hop beer, &c., duty on.

9. Another subject nearly related to the foregoing has also been brought under the Commissioners' notice. It has been suggested that the duty leviable upon articles known as hop beer and herbal beer, and the like, containing a proportion of hops, and which it has been represented to the Commission have an alcoholic strength of less than 2 per cent., is unreasonable, seeing that the makers of such articles are called upon to pay the same amount per gallon as is charged upon beer containing 10 or 12 per cent. of proof spirit, more especially as the value of the former is about 10d. per gallon, as against double that amount per gallon for colonial beer. Your Commissioners consider that a good case has been made out in this respect, and they recommend that the Beer Duty Act, should be amended accordingly, so as to provide that no duty shall be chargeable upon any of these beers of less alcoholic strength than 4 per cent. of proof spirit.

Tobacco.

10. Very interesting evidence on the subject of the tobacco industry has been given before the Commission, and will, your Commissioners think, repay perusal. They consider that it has been satisfactorily proved that several parts of New Zealand are admirably well adapted for the growth of tobacco, and they have been asked to recommend an alteration of the law which would permit of the establishment of a manufacturing industry on a large scale. The proposals under this head will be found in the evidence of Mr. Cameron and Mr. Philips. In view of the depressed condition of agriculture in New Zealand, in common with the rest of the world, your Commissioners would have been glad, had they been able to see their way so to do, to recommend fiscal changes which might have had the effect of offering to farmers another product the cultivation of which would probably yield payable results, but, in view of the large revenue consideration involved, and of the experience of adjacent colonies, which have, either by reduced excise duty or by bonus, fostered the tobacco industry, and which have suffered great loss of revenue thereby (while the cultivation of tobacco seems to have passed rather into Chinese than into European hands), your Commissioners are unable to make any recommendations in this direction. They desire, however, to bring under your Excellency's notice the fact that for several years past the tobacconists have petitioned the House of Representatives for the imposition of a license-fee, and your Commissioners are of opinion that, provided the fee be fixed at a rate not so high as to interfere with the livelihood of small tradespeople, the request should be acceded to. The effect would be not only to add to the revenue a not inconsiderable sum, but it would be the means of checking the sale of cigarettes of inferior quality by a certain class of storekeepers, to the injury of the youth of the colony. Your Commissioners therefore respectfully recommend that legislation be introduced to provide that all dealers in tobacco must take out a license, the annual fee for which, it is suggested, should be £2.

Tinctures in bond.

11. In the course of their inquiry it has been shown to the Commission, on the evidence of Customhouse officers, that the practice which has hitherto prevailed of permitting the manufacture of spirits into tinctures in bond has resulted in considerable loss to the revenue, and there is reason for supposing that in some instances this privilege has been abused. In this connection they would direct attention to the evidence of Mr. Chamberlain, Collector of Customs at

Dunedin, and they recommend that the permission referred to be withdrawn, and that the Customs and Excise Duties Act of 1888 be amended accordingly.

Timber. 12. It has been proved to the satisfaction of your Commissioners that there is room for a large extension of the timber industry of the colony, provided that satisfactory fiscal arrangements in relation to this trade can be made with the other colonies. They believe there would speedily be an enormous increase in the export of timber, particularly from Westland, and more especially of white- and red-pine, if the free admission of New Zealand timber into Australian ports could be secured. Your Commissioners think that this is a matter of national importance, which deserves the earnest attention of the Government.

Inland charges. 13. Upon several occasions at the different places visited by the Commissioners there was brought under their notice the matter of certain difficulties which have arisen as between importers and the Customs Department in regard to the duty chargeable upon invoices of goods, especially in the case of goods invoiced from New York and Hamburg. Importers have, on various occasions, claimed to have deducted from the total amount of their invoices the cost of inland charges from the place at which the goods were manufactured to the port of shipment. Your Commissioners, after a careful consideration of the whole question, are of opinion that the fairest thing to all parties would be to enact that the value of goods for duty purposes shall be the value at the port of shipment, and they respectfully recommend accordingly.

Prison-made goods. 14. Another matter which has been brought prominently under the notice of the Commission in all parts of the colony by numerous trades is that of the competition of imported prison-made goods with goods manufactured in the colony. It is beyond question that in the case of brushware, brooms, mats, furniture, and, in fact, a host of articles, considerable importations have been made, either direct from Germany, Austria, Italy, or America, or from those countries *viâ* London. Your Commissioners are unable to suggest a remedy for this state of things other than concerted action by the colonies and the Mother-country, and they venture to recommend the whole question to the consideration of your Excellency's Advisers.

Coal. 15. Your Commissioners have been asked to recommend an import duty upon coal; but, in view of the fact that coal is a prime necessity in many industries, and of the further fact that an import duty upon this article would, in the opinion of the Commission, tend to increase the rates of freight on agricultural produce exported from this colony, on account of the stoppage of the return coal freight, and of the further consideration that the trade is now mainly controlled by one carrying-company, they are unable to agree to the suggestion.

Cement. 16. They have also been asked to recommend an increased duty on cement; but they think that to raise the duty would tend to create a monopoly which would be prejudicial to the interests of consumers. They are of opinion that this view of the case will be justified by a perusal of the evidence. On the other hand, however, your Commissioners are of opinion that Harbour Boards and County Councils should be placed in the most favourable position to carry out the important public works devolving upon them by allowing cement imported for their purposes to be admitted free of duty.

Chemicals. 17. Your Commissioners have received numerous requests from manufacturers and others for the free admission of a number of chemicals applied to various uses, and which are now for the most part subject to 15 per cent. duty; and, as these articles are of indispensable importance to certain industries, and yield but a trifling amount of duty, they have decided to recommend that the requests be acceded to. Some of the articles placed in the exemption-list have been previously treated as free by Commissioners' decisions, but it has been thought advisable to mention them specifically, as well as those now for the first time recommended to be free.

The tariff. 18. Proceeding now to the question of the tariff itself: As already stated, your Commissioners have endeavoured to reduce the number of rates of duty in each class of goods, and they venture to hope that they have succeeded in doing a good deal in this direction. Secondly, they have adopted a suggestion which emanated from the Customs Department, and for which they are indebted to Mr.

W. T. Glasgow, Secretary for Customs (whose assistance to the Commission throughout the inquiry has been of a most valuable character), and in accordance therewith have classified the tariff under headings which group the items together in relation to the uses to which they are put, as follows :—

(1.) Foods and articles for human consumption.
(2.) Tobacco, &c.
(3.) Alcoholic beverages and materials for making same.
(4.) Non-alcoholic beverages and materials for making same.
(5.) Drugs, medicines, druggists' sundries, chemicals, &c.
(6.) Clothing and textile goods.
(7.) Leather and manufactures of leather.
(8.) Furniture and household furnishings.
(9.) China, glass, and earthen goods.
(10.) Fancy goods, musical instruments, &c.
(11.) Paper manufactures and stationery.
(12.) Manufactures of metal.
(13.) Timber, and articles made from timber.
(14.) Oils, paints, &c.
(15.) Cordage.
(16.) Agricultural products.
(17.) Miscellaneous.

Recommendations.

19. Although your Excellency's Commission in no way instructs your Commissioners to consider as a special object the propriety of reducing or increasing the taxation, and although from the opening of the Commission until now no representations whatever have passed between the Government and the Commission on the subject of their inquiry, the members of the Commission, being all members of Parliament, are necessarily aware of the condition of the public revenues, and they have not thought it wise to propose reductions which might have the effect of embarrassing the finances of the colony. And, on the other hand, they have not thought it wise, in view of the present depressed condition of trade—and especially of the agricultural industry—to recommend increases of duty purely from a protectionist point of view. They have endeavoured to divide articles which may fairly be described as luxuries from articles of necessity, with a view to bringing the former under the highest rate of duty and the latter under the lowest. Proceeding upon these lines, they have found it necessary in some instances to increase the amount of duty from the highest rate previously known to the tariff (namely, 25 per cent.) to 30 per cent.; while in some other instances they have raised the duty, not so much for the reason that it was considered that the articles should on their merits bear a higher rate, but for the reason that by so doing uniformity of rate throughout a class could be secured. In two or three instances specially high rates hitherto unknown to the tariff of this colony have been deliberately recommended by the Commissioners from an entirely different point of view. The first of these, and the highest rate recommended, applies to articles of bamboo manufacture, or of which bamboo forms a part. These goods are chiefly imported from Japan, and are manufactured by labour employed at so cheap a rate as to render it a matter of impossibility for white labour to compete against it; and your Commissioners are of opinion that the substantial duty which they recommend is not at all too high under the circumstances.

Bamboo goods.

Printed matter.

20. Another instance in which a high duty is recommended is that of certain printed matter imported from England, the Continent, or from Australia, to the injury of the printing trade of the colony.

Fireworks.

21. Again, on fireworks a similarly high duty is proposed. It is considered that these are articles which cannot in any way be classed as necessaries, and it is considered desirable to discourage their use.

Spirits.

22. Your Commissioners are of opinion that it is not desirable to maintain the present differentiation in duty as between spirits imported in bulk and spirits imported in case, and they therefore recommend that the rate of 15s. be struck out altogether, and that spirits of all classes should come under the duty of 16s. per liquid gallon. This change will add considerably to the revenue; but your

Commissioners are of opinion that the increase accruing from this direction may be beneficially applied in effecting decreases in other directions, to the benefit of the population of the colony.

Fruit.

23. The question of the fruit industry has given your Commissioners cause for much anxious consideration. They have been asked by fruit-growers in every part of the colony, from Invercargill to Auckland, to increase the rate of duty on imported fruit. On the other hand, a number of witnesses have urged the opposite view, asserting that a sufficient supply of New Zealand fruit is not forthcoming to meet requirements, and that an increase of duty is therefore inexpedient. Several deputations on the subject of this industry included in their requests for a duty, or an increased duty, not only the fruits that can be grown in the colony, but also the fruits imported from the South Sea Islands. Your Commissioners are of opinion that it would be impolitic, from a national point of view, to do anything that would imperil the extension of the growing trade between New Zealand and the islands of the Pacific, and they have therefore unanimously refused to recommend the imposition of any duty upon the fruits imported from the islands—that is to say, upon sub-tropical fruits. On the other hand, by a majority, they have agreed to recommend that the duty on fruit at present classed as dutiable should be increased from one halfpenny to one penny per pound; and that there should be included in the dutiable list with the fruits previously enumerated as dutiable the following, viz.: medlars, currants, raspberries, gooseberries, strawberries, and blackberries; it having been shown that these are among the fruits which are imported.

Machinery.

24. One of the most difficult questions—indeed, the most difficult which your Commissioners have had to approach—has been that of the duties upon machinery. The engineers' societies have represented to the Commission that a large number of men in this industry are out of employment, or are only working short time; but the remedy the societies have proposed—viz., large increases of duty—is so drastic that the Commission has been unable to recommend compliance with their requests—especially in view of the fact that all other industries, almost without exception, have urged that their machinery should be admitted duty-free, and also of the further fact that the low prices of farm produce which have recently obtained would render any proposal for an increase of duties upon agricultural machinery utterly impossible of acceptance. Your Commissioners, however, have endeavoured not to intensify the difficulties under which the machinery-manufacturing industry labours, and in only two or three instances have they added to the list of exemptions as regards machinery. The instances referred to are wood-working machinery, machinery for twine-making, and machinery for paper- and woollen-mills. With these exceptions they have left the duties on machinery *in statu quo*.

Boots, shoes, and leather.

25. There are two other large industries which, like the machine manufacturing and producing interests, are, to some extent, interdependent, and, to some extent, mutually antagonistic. These are the bootmaking and the leather-making industries. The bootmakers naturally desire free leather, while the leather-makers, in common with other industries, as naturally desire a fair share of protection. The Commission has endeavoured to balance these claims, and ventures to think that it has succeeded in arriving at a fair solution of the difficulty, by increasing the rate for boots to 25 per cent., and by giving some further protection to the leather industry. It may be added here that the bootmakers in some parts of the colony have urged the adoption of a specific duty at per pair in addition to an *ad valorem* duty, but your Commissioners are of opinion that it is very undesirable to have a compound system of duties, and on that ground alone they would have rejected the proposal. But independently of this, and even if the compound system had been considered feasible, it appears to your Commissioners that the scale proposed would have pressed unduly heavily upon the lower classes of goods and fallen too lightly upon the more expensive.

Soft goods, flannelettes, &c.

26. In soft goods, the Commissioners have placed silks, satins, velvets, millinery, trimmings, and laces under the highest rate of duty, as being articles of non-necessity, and they recommend what they think will be a great advantage

to the public—namely, that articles of daily use, and which are required by all classes, such as cotton goods and the lower class of linen goods — namely, hollands, forfars, &c.—be admitted duty-free. This in itself is a relief to the purchasing public to the extent of nearly £20,000. One of the greatest difficulties in connection with the soft-goods trade has been that of classifying certain items of drapery, especially flannelettes and union shirtings. In some instances these goods are of such a pattern and make as to be readily usable as ladies' dress materials, instead of for shirtings, for which they are supposed to be intended, and complaints have arisen because the Customs officers have had to say on their own judgment how many pieces out of a given shipment were dutiable and how many were not. To overcome this difficulty your Commissioners have thought it wise to place on both these lines the same rate of duty as upon ordinary textile goods.

Short lengths and tailor-made clothing.

27. In view of the fact that a number of persons resident in the colony, and especially in the large cities, are in the habit of importing for their own use tailor-made goods, or short lengths of tweeds, to the injury of the local manufacturers, it is recommended that those who indulge in this practice should be required to contribute to the revenue in a somewhat greater degree, and your Commissioners have accordingly recommended the imposition of a special rate of duty in these cases.

Matches.

28. Evidence has been given by the match-makers and importers, to which attention is directed. Taking all the circumstances into consideration, your Commissioners do not think the industry of sufficient importance to the colony to justify the large loss of revenue which will follow its development, and they have therefore decided to recommend the reduction of the duty at present in force.

Sugar.

29. Your Commissioners have been approached by the Colonial Sugar-refining Company (Limited) with a request for the imposition of a higher rate of duty on imported beet-root sugar, but they are unable to recommend this, as they do not consider that a case has been made out for the alteration proposed.

Tea.

30. Your Commissioners recommend that the duty on tea should be reduced by 2d. per pound, which is equivalent to a remission of £34,000.

Kerosene.

31. Your Commissioners also recommend that the duty on kerosene be reduced by one-half—viz., from 6d. to 3d.—equivalent to a remission of nearly £18,000; and that

Salt.

32. Salt of all kinds, including agricultural salt, should be admitted free.

Fencing-wire.

33. They further recommend for free admission fencing-wire, plain and barbed. This concession is equivalent to a remission of nearly £14,000, and is in the interests of country settlers.

Binder-twine.

34. The statistics show that the importation of binder-twine has fallen to very small proportions, the great bulk of the twine used in the colony being now of local manufacture. The duty upon this article is therefore an unimportant item from a tariff point of view, while it has an irritating effect upon agriculturists, and it is recommended that it be removed.

Sheep-dip.

35. The question of imposing a duty upon sheep-dip, in the interests of the local manufacturers, has been very carefully considered by the Commission. On the part of the manufacturers it is claimed that as good an article can be, and is, produced in the colony as can be imported, and also that it can be supplied at as low or even a lower price; but it is alleged that prejudice and custom have prevented the local manufacturers securing the control of the trade. On the other hand, these contentions are disputed by a number of witnesses representing the sheep-farming interest; and, in view of all the circumstances, and especially of the depressed condition of the pastoral industry, your Commissioners are unable to see their way to recommend that a duty should be imposed.

Horses and cattle.

36. It has been represented to the Commission that recently considerable importations of horses have been made from Australia, and that there is an apparent probability of large importations of cattle in the near future. It is felt that, until the sister-colonies are willing to admit horses and cattle from New Zealand free, and so long as most of the other colonies impose duties thereon, it is only fair that some corresponding duty should be levied upon horses and cattle

coming to this colony from Australia; the Commission therefore recommend the imposition of a duty of £1 per head upon horses and of 10s. per head upon cattle.

Reductions. 37. Altogether, the reductions recommended in various items of the tariff amount to a large sum—£101,707—but such reductions, as will be seen by the appended statement, are balanced as nearly as possible by the increases made on articles of luxury.

Summary. 38. Your Commissioners would have been glad if it had been possible for your Excellency to have placed more time at their disposal, so as to have enabled them to more exhaustively carry out the important duties intrusted to them; but, in view of the near approach of the meeting of Parliament, they quite recognise that, unless the inquiry had been postponed until after next session, this would have been an impossibility. They, however, owing to the brief period at their disposal, are compelled to present their report in a less complete form than they could have desired, it having been impossible for them to do justice either to the task or to themselves in the time available; but they venture to think that, if their recommendations are adopted, a large number of inconsistencies will disappear from the tariff, the work of the Customhouse officers will be considerably simplified, and much annoyance saved to importers; and that the burden of taxation, without disturbing the equilibrium of the revenue, will be more fairly adjusted than it has been under the existing scale of duties.

Officers. 39. In closing their report, the Commissioners desire to express their appreciation of the advice and information received from Mr. W. T. Glasgow, Secretary for Customs, who has been in constant attendance, and most courteous and painstaking. They also desire to record their entire satisfaction at the manner in which the secretary, Mr. E. W. Kane, and the reporter, Mr. W. H. Russell, have carried out their duties.

They now return to your Excellency the Commission, together with this report, and the evidence appended thereto.

In witness whereof they have hereunto set their hands and seals, this thirty-first day of May, one thousand eight hundred and ninety-five.

(L.S.) WM. J. STEWARD, Chairman.

(L.S.) W. W. TANNER.

(L.S.) JAMES MCGOWAN.

(L.S.) JOHN STEVENS.

(L.S.) THOMAS MACKENZIE.

DISSENT.

WHILST thoroughly in accord with, and supporting, most of the exemptions recommended, I regret that resolutions should have been carried recommending some of the increases of duties, which are obviously for the purpose of protection, notably those on cartridges, bamboo and other furniture, printing, &c. And it is with regret that I find myself unable to agree with my fellow-Commissioners on some of the other leading features of the report.

1. Although, speaking generally, the report is in accordance with the evidence given, still, that evidence, where offered in favour of protective duties, is inconclusive and untrustworthy, for the following reasons: The evidence given was *ex parte;* it was never published in detail—often not at all—and thus the other side of the question was not heard. As a result, the manufacturers, and those having large interests to serve by influencing the Commission, came before it, whilst the much larger class, of consumers, did not.

2. Again, I felt that in framing a new tariff—which is practically what the Commissioners have done—they have altogether departed from their proper functions. The report shows that, whilst considering the evidence on the one hand, they have constantly kept in view the requirements of the Treasury on the other; whereas it appears to me that their sole duty was to submit the evidence to the Government, with the conclusions based thereon, leaving it entirely to the Government to determine what course should be taken to adjust finance. Even assuming the Commissioners were within their order of reference, I feel assured that the estimated increases of revenue in the schedule of duties appended to the report will not be realised, and consequently there will be a considerable deficiency occasioned by remissions.

Generally, I object to the recommendations of the Commissioners on the questions of tobacco license, inland charges, and the limitation of the number of local bodies who are recommended the privilege of cement duty-free.

(L.S.) THOMAS MACKENZIE.

AMENDED CUSTOMS TARIFF,

AS PROPOSED BY THE TARIFF COMMISSION.

The numbers prefixed to the several items indicate their position in the Schedules to the Tariff of 1888.

CONTENTS.

1. Foods and Articles for Human Consumption.
2. Tobacco, &c.
3. Alcoholic Beverages, and Materials for making same.
4. Non-alcoholic Beverages, and Materials for making same.
5. Drugs, Medicines, &c.
6. Clothing and Textile Goods.
7. Leather and Manufactures of Leather.
8. Furniture and Household Furnishings.
9. China, Glass, and Earthen Goods.
10. Fancy Goods, Musical Instruments, &c.
11. Paper Manufactures and Stationery.
12. Manufactures of Metal.
13. Timber and Articles made from Timber.
14. Oils, Paints, &c.
15. Cordage.
16. Agricultural Products.
17. Miscellaneous.

CLASS I.

FOODS AND ARTICLES FOR HUMAN CONSUMPTION.

CUSTOMS DUTIES.

5. Almonds, in the shell, 2d. the lb.
6. Almonds, shelled, n.o.e., 3d. the lb.
9. Bacon and hams, 2d. the lb.
18. Biscuits, other kinds, 2d. the lb.
17. Biscuits, ships', plain and unsweetened, 3s. the cwt.
26. Boiled sugars, comfits, lozenges, Scotch mixtures, and sugar-candy, 2d. the lb., including internal packages.
35. Candied peel, 5d. the lb.
37. Capers, 20 per cent.
43. Carraway seeds, 20 per cent.
47. Catsup, 20 per cent.
Chillies, 20 per cent.
54. Chocolate confectionery, and all preparations of chocolate or cocoa in plain trade packages, 3d. the lb.; in fancy packages or small boxes, 20 per cent.
55. Chutney, 20 per cent.
64. Confectionery, n.o.e., 20 per cent.
75. Curry powder and paste, 20 per cent.
81. Drained peel and peel in brine, 2d. the lb.
97. Fish, dried, pickled, or salted, n.o.e., 10s. the cwt.
99. Fish paste, 20 per cent.
98. Fish, potted and preserved, n.o.e., including oysters, 2d. the lb. or package of that reputed weight, and so in proportion for packages of greater or less reputed weight, including the whole contents of package.
101. Fruit, fresh — viz., apples, pears, medlars, plums, cherries, peaches, nectarines, apricots, quinces, tomatoes, lemons, currants, raspberries, gooseberries, blackberries, and strawberries, 1d the lb.
104. Fruit pulp and partially-preserved fruit, n.o.e., 1½d. the lb.

CUSTOMS DUTIES—*continued.*

Fruits, dried, n.o.e., 2d. the lb.
105. Fruits preserved by sulphurous acid, 1d. the lb.
103. Fruits preserved in juice or syrup, 30 per cent.
111. Gelatine, 20 per cent.
116. Glucose, ½d. the lb.
129. Honey, 2d. the lb.
150. Jams, jellies, marmalade, and preserves, 2d. the lb. or package of that reputed weight, and so in proportion for packages of greater or less reputed weight.
Jellies, solidified or tablet, or in other concentrated form, 4d. the lb.
166. Liquorice, 20 per cent.
408. Maccaroni and vermicelli, 1d. the lb.
172. Maizena and cornflour, ½d. the lb.
180. Meats, potted and preserved, 20 per cent.
182. Milk, preserved, 30 per cent.
187. Mustard, 2d. the lb.
191. Nuts of all kinds except cocoanuts, 2d. the lb.
198. Olives, 30 per cent.
212. Pearl barley, 2s. the cwt.
213. Peas, split, 2s. the cwt.
214. Pepper, cayenne, 20 per cent.
219. Pickles, 3s. the Imperial gallon.
228. Provisions n.o.e., 20 per cent.
233. Rice and rice-flour, 6s. the cwt.
234. Rice, undressed, and dressed in bond, 4s. the cwt.
242. Sardines, in tins known as "quarters," not exceeding 8oz., 1d. per tin; in tins known as "halves," not exceeding 16oz., 2d. per tin; in tins exceeding 16oz., 2d. per lb., and 1d. for each additional half lb., or fraction thereof.
244. Sauces, 4s. the Imperial gallon.

CLASS I.—*continued.*

FOODS AND ARTICLES FOR HUMAN CONSUMPTION—*continued.*

CUSTOMS DUTIES—*continued.*

260. Spices, including pepper and pimento, ground, 4d. the lb.
259. Spices, including pepper and pimento, unground, 2d. the lb.
272. Sugar, ½d. the lb.
288. Treacle and molasses, ½d. the lb.
296. Vegetables, fresh, dried, or preserved, 20 per cent.

EXEMPTIONS.

318. Almonds, Barbary, Sicily, and French, used in confectioners' manufactures.
321. Anchovies, salted, in casks.
324. Arrowroot.
358. Cocoanuts.
383. Groats, prepared.
Mutton-birds.
454. Sago and tapioca.
Salt.

CLASS II.

TOBACCO, ETC.

CUSTOMS DUTIES.

56. Cigars, 7s. the lb.
Cigarettes, not exceeding in weight 2½lb. per thousand, 17s. 6d. per thousand; and for all weight in excess of 2½lb. per thousand, 6d. per oz.
506. Cigars, cigarettes, and snuff, 1s. 6d. the lb. Excise duty.
251. Snuff, 7s. the lb.
505. Tobacco, 1s. the lb. Excise duty.

CUSTOMS DUTIES—*continued.*

285. Tobacco, 3s. 6d. the lb.
286. Tobacco, unmanufactured, entered to be manufactured in the colony, at the time of removal from a bonded warehouse, or from any importing ship, to any licensed tobacco manufactory, for manufacturing purposes only into tobacco, cigars, cigarettes, or snuff, 2s. the lb. until the 31st day of December, 1896.

CLASS III.

ALCOHOLIC BEVERAGES, AND MATERIALS FOR MAKING SAME.

CUSTOMS DUTIES.

4. Ale, beer of all sorts, porter, cider, and perry, the gallon, or for six reputed quart bottles, or twelve reputed pint bottles, 2s.
19. Bitters, 16s. the liquid gallon.
Brewers' caramel, 3d. the lb.
68. Cordials, 16s. the liquid gallon.
130. Hops, 6d. the lb.
149. Isinglass, 20 per cent.
164. Liqueurs, 16s. the liquid gallon.
173. Malt of all kinds, ½d. the lb.
258. Solid wort, 6d. the lb.
264. Spirits and strong waters in cases shall be charged as follows:—
Two gallons and under, as two gallons; over two gallons and not exceeding three, as three gallons; over three gallons and not exceeding four, as four gallons; and so on for any greater quantity contained in any case.
262. Spirits and strong waters mixed with any ingredient in any proportion exceeding 33 per cent. of proof spirit, and although thereby coming under the designation of patent or proprietary medicines, or under any other designation, 16s. the liquid gallon.
263. Spirits and strong waters, sweetened or mixed, when not exceeding the strength of proof, 16s. the liquid gallon.
261. Spirits and strong waters, the strength of which can be ascertained by Sykes's hydrometer, 16s. the proof gallon.
(No allowance beyond 16·5 under proof shall be made for spirits or strong waters of a less hydrometer strength than 16·5 under proof.)
307. Wine, Australian, containing not more than 35 per cent. of proof spirit verified by Sykes's hydrometer, the gallon, or for six reputed quart bottles, or twelve reputed pint bottles, 5s.
308. Wine, other than sparkling and Australian, containing less than 40 per cent. of proof spirit verified by Sykes's hydrometer, the gallon, or for six reputed quart bottles, or twelve reputed pint bottles, 6s.
306. Wine, sparkling, 9s. the gallon.

CUSTOMS DUTIES—*continued.*

CLASS IV.

NON-ALCOHOLIC BEVERAGES, AND MATERIALS FOR MAKING SAME.

CUSTOMS DUTIES.

3. Aërated and mineral waters, and effervescing beverages, 20 per cent.
51. Chicory, 3d. the lb.
53. Chocolate, 3d. the lb.
58. Cocoa, 3d. the lb.
61. Coffee, essence of, 20 per cent.
59. Coffee, raw, 1d. the lb.
60. Coffee, roasted, 5d. the lb.

CUSTOMS DUTIES—*continued.*

168. Lime and lemon juice, sweetened or aërated, 20 per cent.
232. Raspberry vinegar, 30 per cent.
274. Syrups, 30 per cent.
276. Tea, 4d. the lb.

EXEMPTIONS.

357. Cocoa-beans.

CLASS V.

DRUGS, MEDICINES, DRUGGISTS' SUNDRIES, AND CHEMICALS.

Customs Duties.

1. Acid, acetic, for every 10 per cent. of acidity, 1d. the lb.
2. Acid, tartaric, 1d. the lb.
7. Apothecaries' wares, 20 per cent.
13. Baking-powder, 20 per cent.
74. Cream of tartar, 1d. the lb.
58. Drugs and druggists' sundries and chemicals, n.o.e., 20 per cent.
90. Essences, flavouring (culinary), in bottles not exceeding 8oz., 20 per cent.
118. Glycerine, refined, 20 per cent.
199. Opium, 40s. the lb.
211. Patent or proprietary medicines, including veterinary preparations, 30 per cent.
237. Saccharine (except in the form of tabloids or tablets), 1s. 6d. the oz.
256. Soda, carbonate and bicarbonate, 1s. the cwt.
257. Soda crystals, 2s. the cwt.
Surgical and dental instruments and appliances, n.o.e., 20 per cent.

Exemptions.

Acid, boracic.
Acid, carbolic, in bulk.
Acid, fluoric.
Acid, muriatic.
317. Acid, nitric.
Acid, oxalic.
317. Acid, pyrogallic.
Acid, salicylic.
319. Alum.
Alumina, sulphate of.
Ammonia sulphate.
Anhydrous ammonia.
Annatto and annatto seed.

Exemptions—*continued.*

323. Arsenic.
Bluestone, or sulphate of copper.
336. Borax.
Catechu.
Chloride of calcium.
356. Cochineal.
Copper, sulphate of.
Creosote, crude or commercial.
370. Essential oils.
379. Glycerine, crude.
384. Gum arabic and tragacanth.
422. Nitrate of silver.
424. Oil, cod-liver.
427. Oil, rhodium.
438. Phosphorus.
436. Potash, caustic potash, and chlorate of potash.
Potassium, cyanide of.
Sal ammoniac.
457. Saltpetre.
459. Scrub-exterminator.
465. Sheep-dip.
Soda, acetate of.
Soda ash.
473. Soda, caustic.
Soda, nitrate of.
Soda, silicate of.
474. Soda, sulphate.
Sodium, sulphate of.
484. Strychnine.
Sulphur.
Sulphuric acid.
Surgical instruments and appliances imported by or to the order of any public hospital.
Turmeric.
Zinc, chloride of.

CLASS VI.

CLOTHING AND TEXTILE GOODS.

Customs Duties.

8. Apparel and ready-made clothing, 30 per cent.
Apparel made by British or foreign tailors to the order of residents in the colony, and intended for the individual use of such residents, whether imported by the residents themselves or through an importing firm, 40 per cent.
Articles n.o.e., made up wholly or in part from textile or other piece-goods, 30 per cent. *ad valorem.*
23. Blankets, 20 per cent.
38. Caps, apparel, 30 per cent.
Coatings and trouserings imported in lengths of less than 15 yards, 30 per cent.
62. Collars and cuffs, of paper or other materials, 30 per cent.
Cotton cords, 10 per cent.
71. Cotton counterpanes, 10 per cent.
82. Drapery, n.o.e., 20 per cent.
Flannelettes and raised cotton piece-goods, 20 per cent.
108. Furs made up into articles of use or wear, including fur trimmings, 30 per cent.
123. Haberdashery, n.o.e., 20 per cent.
128. Hats, 30 per cent.
131. Hosiery, including knitted shawls of all sizes, 20 per cent.
Lace of all kinds, except gold and silver lace for military clothing, 30 per cent.
184. Millinery, n.o.e., 30 per cent.
183. Millinery—viz., trimmed hats, caps, and bonnets, feathers and artificial flowers—30 per cent.

Customs Duties—*continued.*

236. Rugs, other than fur, 20 per cent.
Satins, velvets, velveteens, and plushes, 30 per cent.
248. Shawls, n.o.e., 30 per cent.
250. Silks—viz., dress silks, Persians, sarsenets, gossamers, ribbons, and all dress materials of which the greater proportion is silk—30 per cent.
Tarpaulins, tents, rick- and wagon-covers, aprons and elevators for reaping-and-binding machines, 20 per cent.
277. Textile piece-goods other than cotton or silk, 20 per cent.
Trimmings, n.o.e., 30 per cent.
293. Umbrellas, parasols, and sunshades, 20 per cent.
313. Yarns, 20 per cent.

Exemptions.

316. Accoutrements for military purposes, but excepting uniform clothing.
338. Brace-elastic and brace-mountings.
343. Bunting, suitable only for ships' flags.
344. Butter- and cheese-cloth.
345. Buttons, plain braids, tapes, wadding, pins, needles, and such minor articles required in the making-up of apparel, boots, shoes, hats, caps, saddlery, umbrellas, parasols, and sunshades, as may be enumerated in any Order of the Commissioner, and published in the *Gazette.*

CLASS VI.—*continued.*

CLOTHING AND TEXTILE GOODS—*continued.*

EXEMPTIONS—*continued.*

Cotton piece-goods, n.o.e.
374. Forfar, dowlas, and flax sheeting in the piece.
387. Hatmakers' materials—viz., silk plush, felt hoods, shellac, galloons, calicoes, spale-boards for hat-boxes, hat leathers, hat linings, hat blocks, moulds, frames, ventilators, tassels.
388. Hessians of all kinds, plain or striped.
Lace, gold and silver, for military clothing.
405. Leather-cloth, including the textile known as American cloth.
Rough brown and dressed hollands.
455. Sailcloth and canvas.
Scrim or papering canvas.
463. Sewing cottons, silks, and threads, crochet darning and knitting cottons, and Angola mendings.
471. Silk for flour-dressing.
472. Silk twist.

EXEMPTIONS—*continued.*

479. Staymakers' binding, corset-fasteners, jean, ticks, lasting, sateen, and cotell.
488. Tailors' trimmings—viz., plain coloured imitation hair cloth; canvas; Verona and Italian cloth; buckram; wadding and padding; silk, worsted, and cotton bindings, and braids; stay-binding; silesias; drab, slate, and brown jeans; pocketings; slate and black unions; slate and black linens.
496. Umbrella-makers' materials—viz., reversible and levantine silk mixtures, gloria and satin de Chêne, of not less than 44in. in width; alpaca cloth, with border; zanella cloth, with border; and such other piece-goods as may be permitted by the Commissioner under such conditions as he may approve; sticks, runners, notches, caps, ferrules, cups, ribs, stretchers, tips, and rings for use in the making of umbrellas, parasols, and sunshades.
498. Waterproof material in the piece.

CLASS VII.

LEATHER AND MANUFACTURES OF LEATHER.

CUSTOMS DUTIES.

159. Bags of leather or leather-cloth, 25 per cent.
29. Boot and shoe vamps, uppers and laces, 25 per cent.
28. Boots, shoes, slippers, goloshes, clogs, and pattens, n.o.e., 25 per cent.
126. Harness and saddlery, 25 per cent.
158. Leather—
Belting and belt leather, harness, bridle, legging, and bag leather, kip (other than East India), buff, and split, 4d. the lb.
Cordovan, all levanted leather, roans, sheepskins, morocco, n.o.e., basils, and sole-leather, 3d. the lb.
East India kip, Persians, lambskins and goatskins (dressed) other than morocco, kangaroo- and wallaby-skins (dressed), stained and coloured calf, 2d. the lb.
Leather, n.o.e., 1d. the lb.
157. Leather, chamois, 25 per cent.
Leather compo., 4d. per lb.
160. Leather cut into shapes, 25 per cent.
162. Leather leggings, 25 per cent.
163. Leather manufactures, n.o.e., 25 per cent.

CUSTOMS DUTIES—*continued.*

226. Portmanteaux, trunks (other than iron), and travelling-bags, 25 per cent.
304. Whips and whip-thongs, 25 per cent.

EXEMPTIONS.

334. Boot-elastic.
Bootmakers' canvas, plain and coloured.
335. Boots, shoes, and slippers—viz., children's Nos. 0 to 3.
Collar-lining, known as "collar-check," and the like article, plain.
363. Cork soles and socks, and sock soles.
380. Goat-skins, undressed.
382. Grindery, except heel- and toe-plates.
385. Gum-boots.
391. Hogskins.
402. Kangaroo- and wallaby-skins, undressed.
404. Leather, japanned and enamelled, and goat-skins dressed as morocco.

CLASS VIII.

FURNITURE AND HOUSEHOLD FURNISHINGS.

CUSTOMS DUTIES.

14. Baskets, and wickerware other than articles of furniture, 20 per cent.
42. Carpets, 20 per cent.
86. Drugget, 20 per cent.
100. Floorcloth, 20 per cent.
106. Furniture and cabinetware, n.o.e., and other than iron, 30 per cent.
107. Furniture, knife, and plate powder and polish, 20 per cent.
Furniture wholly or partially composed of bamboo, or framed with bamboo, including chairs, stools, couches, tables, flower-stands, flower-tubes, book-cases, book-shelves, cornice-poles, whatnots, blinds, and fire-screens, 75 per cent.

CUSTOMS DUTIES—*continued.*

174. Mantelpieces other than wood, 20 per cent.
178. Mats, 20 per cent.
179. Matting, 20 per cent.
Upholstery and wooden mantelpieces, 30 per cent.

EXEMPTIONS.

332. Blind-webbing and tape.
Carpenters' baskets.
497. Upholsterers' webbing, hair-seating, imitation hair-seating, curled hair, gimp, tufts, and studs.

CLASS IX.

CHINA, GLASS, AND EARTHEN GOODS.

CUSTOMS DUTIES.

Bricks of all kinds, including firebricks, 30 per cent.
52. Chinaware, 20 per cent.
80. Drainage-pipes and tiles, 20 per cent.
88. Earthen flooring- and garden-tiles, 20 per cent.
89. Earthen gas-retorts, 20 per cent.
87. Earthenware, 20 per cent.
93. Filters, 20 per cent.
95. Fireclay ground, and fireclay goods, n.o.e., 20 per cent.
112. Glass, crown, sheet, and common window, 2s. the 100 superficial feet.

CUSTOMS DUTIES—*continued.*

113. Glass, plate, polished, coloured, and other kinds, n.o.e., 20 per cent.
114. Glassware, 20 per cent.
115. Globes and chimneys for lamps, 20 per cent.
153. Lamps, lanterns, and lampwick, 20 per cent.

EXEMPTIONS.

337. Bottles, empty, plain glass, except cut or ground, and jars up to 3in. in diameter at the mouth.
Jars or other dutiable vessels, containing goods subject to a fixed rate of duty.

CLASS X.

FANCY GOODS, MUSICAL INSTRUMENTS, ETC.

CUSTOMS DUTIES.

Artificial flies, 30 per cent.
40. Cards, playing, 1s. per pack.
57. Clocks, 20 per cent.
91. Fancy goods and toys, 20 per cent.
122. Greenstone, cut and polished, 30 per cent.
124. Hair brushes and combs, 20 per cent.
152. Jewellery (including precious stones), 30 per cent.
Mouldings in the piece for picture-frames, cornices, or ceilings, 20 per cent.
185. Musical instruments, n.o.e., 20 per cent.
194. Oil, perfumed, 30 per cent.
201. Paintings, framed or unframed, 20 per cent.
210. Papier-maché ware, 20 per cent.
Perfumed spirits, 30s. the liquid gallon.
215. Perfumery, n.o.e., 30 per cent.
Photographic enlargements (bromide or other) and photographic views of N.Z. scenery, 20 per cent.
218. Photographic goods (including chemicals), n.o.e., 20 per cent.
222. Picture-frames and mounts, including photographers' mounts and frames, 20 per cent.
223. Pipes, tobacco, cigar- and cigarette-holders and cases for same, cigarette-papers and -cases, 30 per cent.
221. Pictures, drawings, and engravings, 20 per cent.
224. Plate, gold and silver, n.o.e., 30 per cent.
225. Platedware, 30 per cent.
269. Statues, statuettes and casts, n.o.e., 20 per cent.

CUSTOMS DUTIES—*continued.*

287. Toilet preparations, n.o.e., 30 per cent.
298. Walking-sticks, 30 per cent.
300. Watches, 20 per cent.

EXEMPTIONS.

Action-work, in frames or otherwise, incomplete, for organs, harmoniums, and pianos.
All sensitized surfaces for photographic purposes.
325. Artists' canvas, colours, brushes, and palette-knives.
Family plate and paintings, being heirlooms or bequests or gifts to persons resident in the colony.
Magic lanterns, lenses, and slides.
Musical instruments specially imported for Volunteer or Salvation Army bands.
Organs and harmoniums, communion vessels, memorial windows and tablets, ecclesiastical vestments, lecterns, statues and statuettes, pictures, and crosses, imported specially for buildings devoted to purposes of Divine worship.
428. Paintings, statuary, and works of art, presented to or imported by any public institution or art association, registered as a body corporate, for display in the buildings of such institution or association, and not for sale.
Photographic cameras and lenses.
Statues and statuettes in marble or bronze.
Telescopes and microscopes, and lenses for same.

CLASS XI.

PAPER MANUFACTURES AND STATIONERY.

CUSTOMS DUTIES.

220. Calendars and show-cards, 30 per cent.
Cardboard boxes complete, or cardboard cut and shaped for boxes, 30 per cent.
Directories of the colony or of any part thereof, printed outside of the colony, 30 per cent.
132. Handbills, programmes and circulars, playbills and printed posters (other than pictorial lithographs), pamphlets and circulars relating to patent or proprietary medicines, trade catalogues and price-lists for firms or persons in business in the colony, printed or lithographed billheads, counter-books, cheque- and draft-forms, printed tags and labels, 50 per cent.

CUSTOMS DUTIES—*continued.*

133. Ink, writing and copying, 20 per cent.
Newspaper supplements, printed outside the colony, 30 per cent.
204. Paper bags, coarse, including sugar-bags, 7s. 6d. the cwt.
205. Paper bags, n.o.e., 30 per cent.
Paper, blue candle, glazed cap, glazed casings, small hand, lumber hand, and tissue, 6s. the cwt.
206. Paper-hangings, 15 per cent.
208. Paper, wrapping, other kinds, 5s. the cwt.
209. Paper, writing, n.o.e., 15 per cent.

CLASS XI.—*continued.*

PAPER MANUFACTURES AND STATIONERY—*continued.*

CUSTOMS DUTIES—*continued.*

267. Stationery, manufactured: namely, account-books, manuscript books, billheads, invoice and statement forms, without printed or lithographed headings, and other ruled paper, labels, tags, blank and head-line copy-books, drawing-books, blotting-pads, sketch-books, gummed paper, copying letter-books, manifold writers, albums (other than photographic), diaries, plain and faint-lined ruled books, and other printed or lithographed or embossed stationery, prepared or liquid gum, printed window-tickets, Christmas and New Year cards, birthday and other similar cards, and booklets, 30 per cent.
268. Stationery, n.o.e., 15 per cent.
Stereotypes and matrices, 30 per cent.

EXEMPTIONS.

333. Bookbinders' materials: viz., cloth, leather, thread, headbands, webbing, end-papers, tacketing gut, marbling colours, marble paper, blue paste for ruling-ink, staple-presses, wire staples, staple-sticks.
349. Cardboard and pasteboard, of sizes not less than that known as "royal."

EXEMPTIONS—(*continued.*

350. Cardboard boxes, material for: namely, gold and silver paper plain and embossed, gelatine and coloured papers, known as "box-papers."
Cloth-lined boards, royal and larger.
Cloth-lined papers, demy and larger.
Enamelled paper, demy and larger.
Hand-made cheque paper.
393. Ink, printing.
Ivorite and gelatine, demy and larger.
Masticated para.
Metallic paper, demy and larger.
420. Millboard and bookbinders' leather-board.
431. Paper, hand-made or machine-made book, or writing, of sizes not less than the size known as "demy," when in original wrappers, and with uncut edges as it leaves the mill.
430. Paper, printing.
Parchment paper and waxed paper, for butter wrapping.
446. Printed books, n.o.e.
458. School slates, and educational apparatus.

CLASS XII.

MANUFACTURES OF METAL.

CUSTOMS DUTIES.

16. Bicycles, tricycles, and the like vehicles, 20 per cent.
27. Boilers, land and marine, 20 per cent.
46. Cartridges, 3s. per hundred; cartridge-cases, 1s. 3d. per hundred.
76. Cutlery, 20 per cent.
94. Fire-arms: Fowling-pieces, rifles, and other kinds, 20 per cent.
109. Galvanised-iron manufactures, n.o.e., 25 per cent.
Gasometers, 20 per cent.
125. Hardware, ironmongery, and holloware, 20 per cent.
141. Iron galvanised corrugated sheets, screws, and nails, 2s. the cwt.
140. Iron galvanised tiles, ridging, guttering, and spouting, 20 per cent.
143. Iron nails, 2s. the cwt.
144. Iron pipes and fittings for same, including main-cocks, 10 per cent.
142. Iron, plain, galvanised, and hoop, 1s. 6d. the cwt.
146. Iron tanks, 10s. each
147. Iron tanks of and under 200 gallons, 5s. each.
151. Japanned and lacquered metal ware, 25 per cent.
156. Lead and composition piping, 3s. 6d. the cwt.
155. Lead, in sheets, 1s. 6d. the cwt.
169. Machinery, n.o.e., 20 per cent.
181. Manufactures, n.o.e., of metal, or of metal in combination with any other material, 20 per cent.
231. Railway and tramway plant, n.o.e., 20 per cent.
249. Shot, 10s. the cwt.
Slashers, 20 per cent.
270. Steam-engines and traction-engines and parts of same, n.o.e., 20 per cent.
284. Tinware, 25 per cent.
309. Wire mattresses and webbing, 20 per cent.
315. Zinc manufactures, n.o.e, 25 per cent.
314. Zinc tiles, ridging, guttering, and piping, 20 per cent.

EXEMPTIONS.

320. Anchors.
327. Axes and hatchets.
328. Axles, axle-arms, and boxes.
Band-saws and folding-saws, including frames.
330. Bellows nails.
Bicycles and tricycles, fittings for—viz., drop-forgings in the rough, ball-bearings, tyres, and weldless steel tube, rims, forks, and spokes.
322. Blacksmiths' anvils.
Bolts, 5in. by $\frac{1}{2}$in. and under, and nuts for same.
339. Brass, in pigs, bars, tubes, or sheets.
340. Brass tubing and stamped work, in the rough, for gasaliers and brackets.
489. Buckles.
Butchers' saws and cleavers.
Caps, percussion.
Chaff-cutters, corn-crushers, corn-shellers, and seed-cleaners.
353. Chains, iron.
361. Copper and composition, rod, bolts, sheathing, and nails.
360. Copper, in pigs, bars, tubes, or sheets.
Crucibles.
Dredges.
Emery-grinding machines.
Empty iron drums, not exceeding 10 gallons capacity.
369. Engineers' machine tools.
Eyelets.
372. Fire-engines.
Fish-hooks.
375. Forges and fans.
376. Gas-engines and hammers, and oil-engines.
378. Glassmakers' moulds.
Iron and brass wove wire and wire-gauze.
394. Iron boiler-plates and unflanged end-plates for boilers.
Iron pipes imported by local governing bodies for waterworks or gasworks.
395. Iron, plain black sheet.

CLASS XII.—*continued.*

MANUFACTURES OF METAL—*continued.*

EXEMPTIONS—*continued.*

397. Iron, rod, bolt, bar, hoop, and pig.
398. Iron, rolled girders.
400. Iron wire, including fencing, barbed, and plain; also standards and staples.
401. Iron wire netting.
403. Lead, in pigs and bars.
407. Locomotives.
Machinery and appliances for electric lighting installations, and retorts and other appliances for gas-making, when imported by or for a local governing body.
410. Machinery, dairying, including engines and boilers.
409. Machinery for agricultural purposes n.o.e., also materials for manufacturing the same, viz.: reaper-knife sections, fingers, brass and steel springs and tilt-rakes, chaff-cuttting knives, set-screws, malleable castings, fittings for threshing-mills, discs for harrows, forgings for ploughs, mouldboard-plates and steel share-plates cut to pattern, and skeith-plates.
Machinery for flour-mills, woollen-mills, and paper-mills (not including engines or boilers).
412. Machinery for mining purposes, including machine-pumps.
413. Machinery for oil refining and for boring, not including engines.
414. Machinery for refrigerating and preserving meat.
Machinery for rope- and twine-making.
415. Machine saws.
416. Metal fittings for trunks, portmanteaux, travelling-bags, and leggings.
417. Metal frames for bags and satchels.
418. Metal sheaves for blocks.
419. Metallic capsules.
437. Perambulators and the like vehicles, fittings for, n.o.e.
Perforated or cellular sheet zinc or iron.

EXEMPTIONS—*continued.*

Picks and mattocks.
442. Ploughs and harrows, complete.
444. Portable engines.
447. Printing machinery, presses, type, and materials.
Quartz-, knapping-, and spalling-hammers.
448. Rails for railways and tramways.
Reaping-hooks.
364. Riddles and sieves.
450. Rivets and washers of all kinds.
451. Saddlers' ironmongery (except bits and stirrup-irons), hames, and mounts for harness; straining, surcingle, brace, girth, and roller webs.
Saw-milling, planing, and wood-working machinery, including lathes.
460. Scythes and scythe-handles.
Set-screws, engineers' studs, and split-pins.
462. Sewing-, knitting-, and kilting-machines.
Sheep-shears.
475. Soda-water machines.
Soldering-irons.
476. Spades, shovels, and forks.
Spiral springs.
Steam and hydraulic pressure and vacuum gauges.
481. Steam-boiler tubes, not exceeding 6in. in diameter, and unflanged, and Bowling's expansion-rings.
482. Steel.
486. Swords.
487. Tacks.
491. Tin, pig, bar, and sheet.
492. Tinsmiths' fittings.
494. Tools, n.o.e., used in any trade, handicraft, or occupation (including implements of husbandry).
500. Wire, brass, copper, and lead.
502. Zinc, plain sheet.

CLASS XIII.

TIMBER AND ARTICLES MADE FROM TIMBER.

CUSTOMS DUTIES.

15. Bellows, other than forge, 20 per cent.
24. Blocks, wooden tackle, 20 per cent.
Boats, rowing, 20 per cent.
Boot-trees and boot-jacks, 20 per cent.
34. Buckets and tubs of wood, 20 per cent.
44. Carriages, carts, drays, wagons, and perambulators, and wheels for the same, 20 per cent.
45. Carriage shafts, spokes, felloes, bent wheel-rims, and other bent carriage-timber, n.o.e., 20 per cent.
79. Doors, glazed with ornamental glass, 4s. each.
78. Doors, plain, 2s. each.
247. Sashes, glazed with ornamental glass, 4s. the pair.
246. Sashes, plain, 2s. the pair.
281. Timber, palings, 2s. the 100.
282. Timber, posts, 8s. the 100.
283. Timber, rails, 4s. the 100.
279. Timber, sawn, dressed, 4s. the 100ft. sup.
278. Timber, sawn, rough, 2s. the 100ft. sup.
280. Timber, shingles and laths, 2s. the 1,000.

CUSTOMS DUTIES—*continued.*

289. Turnery, 20 per cent.
310. Woodware, 20 per cent.

EXEMPTIONS.

326. Ash, hickory, and lancewood timber, unwrought.
331. Blacksmiths' bellows.
341. Brush woodware.
352. Carriage- and cart-shafts, spokes and felloes in the rough; hubs; poles if unbent and unplaned.
351. Carriage- and cart-makers' materials, viz.: Springs, mountings, trimmings, brass hinges, tire-bolts, shackle-holders, and other iron fittings (except steps, lamp-irons, dash-irons, and seat-rails), rubber cloth.
355. Churns.
406. Lignum vitæ.
452. Saddle-trees.
Veneers.
Wooden handles for tools.

CLASS XIV.

OILS, PAINTS, ETC.

CUSTOMS DUTIES.

Axle-grease and other solid lubricants, 20 per cent.
127. Harness oil and composition and leather dressing, 20 per cent.
189. Naphtha, 6d. the gal.
Oil, kerosene, 3d. the gal.
192. Oil, n.o.e., mineral, 6d. the gal.
197. Oil, n.o.e, 6d. the gal.
193. Oil, olive, in bulk, 6d. the gal.
195. Oil, vegetable, in bulk, 6d. the gal.
196. Oil, vegetable, or other, in bottle, 15 per cent.
202. Paints and colours ground in oil, 3s. the cwt.
203. Paints and colours mixed ready for use, 6s. the cwt.

CUSTOMS DUTIES—*continued.*

230. Putty, 2s. the cwt.
295. Varnish, 2s. the gal.
305. Whiting and chalk, 1s. the cwt.

EXEMPTIONS.

423. Oil, candlenut.
425. Oil, fish, whale, and seal, in bulk.
426. Oil, palm.
427. Oil, rhodium.
429. Paints and colours, n.o.e.
464. Shale oil, once run.
478. Spirits of tar.
Turpentine and driers.

CLASS XV.

CORDAGE.

CUSTOMS DUTIES.

67. Cordage and rope, n.o.e., 20 per cent.
190. Nets and netting, 20 per cent.
292. Twine; n.o.e., 20 per cent.

EXEMPTIONS.

359. Coir.
Hawsers of 12in. and over.
399. Iron and steel cordage.
Net-makers' cotton twine.
291. Twine, binder.
501. Yarn—viz., coir, flax, hemp.

CLASS XVI.

AGRICULTURAL PRODUCTS.

CUSTOMS DUTIES.

Animal foods of all kinds, n.o.e., 20 per cent.
Cattle, 10s. per head.
49. Chaff, £1 the ton.
Fruit-trees, 25 per cent.
120. Grain and pulse of every kind, n.o.e., 9d. the 100lb.
121. Grain and pulse, when ground or in any way manufactured, n.o.e., 1s. the 100lb.
119. Grain—viz., barley, 2s. the 100lb.

CUSTOMS DUTIES—*continued.*

Hempseed, canary-seed, and mixed bird-seed, ½d. the lb.
Horses, £1 each.
Linseed, £2 the ton.
171. Maize, 9d. the 100lb.
Onions, £1 per ton.
Potatoes, £1 per ton.
Prepared calf-food or meal, £1 the ton.

CLASS XVII.

MISCELLANEOUS.

CUSTOMS DUTIES.

12. Bagging and bags, n.o.e., 20 per cent.
11. Bags, calico, forfar, hessian, and linen, 20 per cent.
10. Bags, flour, 20 per cent.
21. Blacking and boot-gloss, 20 per cent.
22. Blacklead, 20 per cent.
25. Blue, 2d. the lb.
32. Brooms and brushes, n.o.e., 30 per cent.
33. Brushware, n.o.e., 30 per cent.
36. Candles, 2d. the lb. or package of that reputed weight, and so in proportion for packages of greater or less reputed weight.
41. Carpet bags, 25 per cent.
48. Cement, 2s. the barrel.
70. Corks, cut, 20 per cent.
96. Fireworks, n.o.e., 50 per cent.
Flock, 10 per cent.
117. Glue and size, 1½d. the lb.
176. Marble, granite, and other stone, dressed or polished, and articles n.o.e. made therefrom, 30 per cent.

CUSTOMS DUTIES—*continued.*

175. Marble, granite, and other stone, not dressed or polished, 5 per cent.
177. Matches—
Wooden: In boxes containing not more than 60 matches, 1s. the gross of boxes.
In boxes containing over 60 and not more than 100 matches, 2s. the gross of boxes.
In boxes containing more than 100 matches, for every 100 matches or fraction thereof contained in one box, 2s. the gross of boxes.
Wax: "Plaid vestas" in cardboard boxes containing under 100 matches, 1s. the gross of boxes.
"Pocket vestas" in tin or other boxes containing under 100 matches, 1s. 6d. the gross of boxes.
"Sportsman's," "ovals," and "No. 4 tins vestas" in boxes containing not more than 200 matches, 4s. the gross of boxes.
Other kinds, for every 100 matches or fraction thereof contained in one box, 2s. the gross of boxes.
227. Powder, sporting, 6d. the lb.
235. Rice, manufactured into starch, in bond, 2s. the cwt.

CLASS XVII.—*continued.*

MISCELLANEOUS—*continued.*

CUSTOMS DUTIES—*continued.*

245. Sausage-skins and casings (including salt), 3d. the lb.
252. Soap, common, 5s. the cwt.
253. Soap, other kinds, 30 per cent.
254. Soap-powder, washing-powder, extract of soap, dry soap, and soft-soap, 20 per cent.
Spirits, cleared from warehouse, methylated, under prescribed conditions, 1s. liq. gal.
265. Spirits, methylated, 1s. the liq. gal.
266. Starch, 2d. the lb.
297. Vinegar, 6d. the gal. up to 5 per cent. of acidity, and 1d. additional for each additional 1 per cent.
302. Wax, paraffin, mineral, vegetable, and Japanese, 1½d. the lb.

EXEMPTIONS.

503. Articles and materials (as may from time to time be specified by the Commissioner) which are suited only for, and are to be used and applied solely in, the manufacture of goods within the colony. All decisions of the Commissioner in reference to articles so admitted free to be published from time to time in the *Gazette*.
329. Bags, gunny.
Brushes for cream-separators.
342. Building materials, n.o.e.
347. Candlenuts and candlenut kernels.
348. Candlewick.
Card-clothing for woollen-mills.
Cement imported by Harbour Boards or County Councils.
Chemicals and appliances imported for Universities and Schools of Mines.
366. Cotton waste.
Couch-roll jackets, machine-wires, beater-bars, beater-plates, and strainer-plates for paper-mills.
368. Dye-stuffs and dyeing materials, crude; and aniline dyes.

EXEMPTIONS—*continued.*

371. Felt sheathing.
386. Gutta-percha, not being wearing apparel, and n.o.e.
Indiarubber composition belting.
Jute bagging, bags, sacks, woolpacks, and wool-pockets.
Masonic aprons and regalia.
Papermakers' felts.
433. Passengers' baggage and effects, including only wearing-apparel and other personal effects that have been worn or are in use by persons arriving in the colony; also implements, instruments, and tools of trade, occupation, or employment of such persons; and household and other effects which have been in use for twelve months prior to embarkation by the persons or families bringing the same to the colony, and which are not intended for any other person or persons, or for sale (provided that this exemption shall not apply to any colonist who has visited and returns from any other country); also cabin-furnishings belonging to such persons.
434. Peanuts for manufacture of oil.
443. Powder, blasting.
453. Saffron.
Sheep-drenches.
466. Ship-chandlery, n.o.e.
467. Ships' rockets, blue-lights, and danger-signals.
483. Stones, mill, grind, oil, and whet.
490. Tanning materials, crude.
Tea-packing lead.
493. Tobacco for sheepwash or for insecticide, after being rendered unfit for human consumption, in accordance with prescribed regulations.
495. Treacle and molasses, mixed with bone-black in accordance with prescribed regulations.
Tubular woven cotton cloth for meatbags, in the piece.
Type-writers.
499. Wax, bottling.
504. And all articles not otherwise enumerated.

ESTIMATE OF FINANCIAL EFFECT OF THE PROPOSALS OF THE TARIFF COMMISSION.

NOTE.—The figures marked with an asterisk (*) are only approximate, as the items mentioned are not separately specified in the Customs returns.

1. ARTICLES ON WHICH DUTY IS PROPOSED TO BE INCREASED.—*ESTIMATED INCREASE IN REVENUE.*

Articles.	Present Rate of Duty.	Proposed Rate of Duty.	Estimated Annual Increase of Revenue.
			£
CLASS I.—*Food and Articles of Human Consumption*—			
Baking-powder	15 per cent.	20 per cent.	50
Carraway-seeds	15 per cent.	20 per cent.	5*
Cayenne pepper	15 per cent.	20 per cent.	5*
Chillies	15 per cent.	20 per cent.	5*
Confectionery	2d. per lb.	20 per cent.	793
Fruit, fresh	½d. per lb.	1d. per lb.	5,893
Fruit, preserved in juice or syrup	20 per cent.	30 per cent.	303
Fruit, preserved by sulphurous acid	½d. per lb.	1d. per lb.	149
Gelatine	15 per cent.	20 per cent.	5*
Jellies, solidified or tablet	2d. per lb.	4d. per lb.	5*
Liquorice	15 per cent.	20 per cent.	50*
Maccaroni and vermicelli	Free	1d. per lb.	750
Milk, preserved	20 per cent.	30 per cent.	1,240
Olives	20 per cent.	30 per cent.	20*
Pearl-barley	1s. per cwt.	2s. per cwt.	2*
Peel in brine	Free	2d. per lb.	10*
CLASS II.—*Tobacco, &c.*—			
Tobacconists' licenses	...	...	3,000
CLASS III.—*Alcoholic Beverages and Materials for making same*—			
Ale, beer, porter, cider, and perry	1s. 6d. per gal.	2s. per gal.	4,311
Spirits in bulk	15s. per gal.	16s. per gal.	14,753
Isinglass	15 per cent.	20 per cent.	49
Tinctures manufactured in bond, withdrawal of facilities for	...	...	2,000*
CLASS IV.—*Non-alcoholic Beverages and Materials for making same*—			
Coffee-essence	15 per cent.	20 per cent.	50*
Glycerine	15 per cent.	20 per cent.	25*
Raspberry-vinegar	20 per cent.	30 per cent.	70*
Syrups	20 per cent.	30 per cent.	20*
CLASS V.—*Drugs, Medicines, Druggists' Sundries, and Chemicals*—			
Drugs and druggists' sundries	15 per cent.	20 per cent.	1,282
Essences, flavouring	15 per cent.	20 per cent.	50*
Patent and proprietary medicines	25 per cent.	30 per cent.	1,673
Sarsaparilla	25 per cent.	30 per cent.	25*
CLASS VI.—*Clothing and Textile Goods*—			
Apparel and ready-made clothing	25 per cent.	30 per cent.	17,226
Articles n.o.e., made up, &c.	25 per cent.	30 per cent.	300*
Feathers	25 per cent.	30 per cent.	400*
Furs	25 per cent.	30 per cent.	107
Hats and caps	20 per cent.	30 per cent.	6,150
Millinery	20 per cent.	30 per cent.	2,580
Tarpaulins and tents	15 per cent.	20 per cent.	60
CLASS VII.—*Leather and Leather Goods*—			
Boots and shoes	20 per cent.	25 per cent.	6,344
Harness and saddlery	20 per cent.	25 per cent.	923
Heel and toe stiffeners and plates	...	25 per cent.	5*
Leather (altered rates)	...	...	2,000*
Leather bags and portmanteaux	20 per cent.	25 per cent.	500*
Leather, chamois	15 per cent.	25 per cent.	78*
Whip and whipthongs	15 per cent.	25 per cent.	346
Carried forward	...	...	73,612

ARTICLES ON WHICH DUTY IS PROPOSED TO BE INCREASED—*continued.*

Articles.	Present Rate of Duty.	Proposed Rate of Duty.	Estimated Annual Increase in Revenue.
			£
Brought forward	...	...	73,612
CLASS VIII.—*Furniture and Household Furnishings*—			
Bamboo furniture	25 per cent.	75 per cent.	500*
Carpets and druggets	15 per cent.	20 per cent.	1,932
Furniture	25 per cent.	30 per cent.	1,354
Floorcloth	15 per cent.	20 per cent.	1,200
Furniture- and plate-powder	15 per cent.	20 per cent.	100*
Mats and matting	15 per cent.	20 per cent.	414
CLASS IX.—*China, Glass, and Earthen Goods*—			
Glass, plate	15 per cent.	20 per cent.	289
Glassware	15 per cent.	20 per cent.	1,033
Lamps, lanterns, and lamp-wick	15 per cent.	20 per cent.	530
CLASS X.—*Fancy Goods, Musical Instruments, &c.*—			
Cards, playing	6d. per pack	1s. per pack	1,054
Jewellery	20 per cent.	30 per cent.	1,420
Paintings	15 per cent.	20 per cent.	332
Perfumery	25 per cent.	30 per cent.	114
Perfumed spirits	21s. per gal.	30s. per gal.	500
Picture-frames and mouldings	15 per cent.	20 per cent.	241
Pipes	15 per cent.	30 per cent.	2,360
Plate	20 per cent.	30 per cent.	70
Platedware	20 per cent.	30 per cent.	1,500
Toilet preparations and perfumed oil	25 per cent.	30 per cent.	50*
Walking-sticks	20 per cent.	30 per cent.	20*
CLASS XI.—*Paper-manufacture and Stationery*—			
Manufactured stationery	25 per cent.	30 per cent.	1,130
Paper bags	25 per cent.	30 per cent.	240
Paper, wrapping	5s. per cwt.	6s. per cwt.	200*
CLASS XII.—*Metal Manufactures*—			
Cartridges, &c. (altered rates)	...	...	3,000
Copying-presses	15 per cent.	20 per cent.	10*
Firearms	15 per cent.	20 per cent.	570
Gasometers	Free	20 per cent.	200*
Traction-engines	Free	20 per cent.	500*
CLASS XIII.—*Timber and Articles made therefrom*—			
Carriage-shafts, &c.	15 per cent.	20 per cent.	50*
Woodware	15 per cent.	20 per cent.	500
CLASS XIV.—*Oils, Paints, &c.*—			
Axle-grease and solid lubricants	Free	20 per cent.	50*
Harness-oil and leather-dressing...	15 per cent.	20 per cent.	50*
Paints, ground in oil	2s. per cwt.	3s. per cwt.	1,200
Paints, mixed	4s. per cwt.	6s. per cwt.	250
Varnish	1s. 6d. per cwt.	2s. per cwt.	550
CLASS XVI.—*Agricultural Products*—			
Cattle	Free	10s. each	30
Horses	Free	20s. each	335
Linseed	Free	40s. per ton	70
CLASS XVII.—*Miscellaneous*—			
Bagging and bags	15 per cent.	20 per cent.	25
Brooms and brushes	20 per cent.	30 per cent.	1,125
Corks	15 per cent.	20 per cent.	270
Flock	Free	10 per cent.	220
Fireworks	15 per cent.	20 per cent.	210
Marble, granite, &c.	20 per cent.	30 per cent.	300
Soap, fancy	25 per cent.	30 per cent.	480
Total increase in revenue	...	...	100,190

2. ARTICLES ON WHICH DUTY IS PROPOSED TO BE DECREASED.—(*ESTIMATED LOSS IN REVENUE.*)

Articles.	Present Rate of Duty.	Proposed Rate of Duty.	Estimated Annual Loss in Revenue.
			£
CLASS I.—*Foods, and Articles for Human Consumption*—			
Drained peel	3d. per lb.	2d. per lb.	75
Glucose	1d. per lb.	½d. per lb.	440
Saccharine	5s. per oz.	1s. 6d. per oz.	...
Salt	10s. per ton	Free	3,478
CLASS IV.—*Non-alcoholic Beverages, and Materials for making same*—			
Coffee, raw	3d. per lb.	1d. per lb.	2,261
Tea	6d. per lb.	4d. per lb.	34,032
CLASS V.—*Drugs, Medicines, Druggists' Sundries, and Chemicals*—			
Alumina, Sulphate of	...	...	...
Anhydrous ammonia	...	...	...
Annatto and annatto-seed	...	...	...
Bluestone, or sulphate of copper	...	...	...
Catechu	...	...	...
Chlorate of potash	15 per cent.	Free	15*
Chloride of lime	15 per cent.	Free	75*
Soda, Nitrate of	...	...	...
Soda, Acetate of	...	...	...
Soda ash	...	...	...
Sal-ammoniac	...	...	...
Sulphur	6d. per cwt.	Free	54
Turmeric	15 per cent.	Free	15*
CLASS VI.—*Clothing and Textile Goods*—			
Bootmakers' coloured canvas	20 per cent.	Free	200*
Collar lining	20 per cent.	Free	40*
Cotton piece-goods	10 per cent.	Free	15,922
Crochet-, darning-, and knitting-cottons	20 per cent.	Free	250*
Hatters' materials, Sundry additional	20 per cent.	Free	50*
Hollands, rough brown and dressed, flax, forfar, &c.	20 per cent.	Free	1,000*
Tailors' trimmings, Sundry additional	20 per cent.	Free	100*
Umbrella-makers' fittings, Sundry additional	20 per cent.	Free	200*
CLASS X.—*Fancy Goods and Musical Instruments*—			
Sundry exemptions	....	...	2,000*
CLASS XII.—*Manufactures of Metal*—			
Artificers' tools and tools of husbandry	20 per cent.	Free	2,000*
Chaff-cutters, corn-crushers, corn-shellers, and seed-cleaners	20 per cent.	Free	50*
Caps, percussion	1s. per 1,000	Free	320
Nails	3s. per cwt.	Free	14
Tinsmiths' furniture	25 per cent.	Free	250*
Wire, fencing, barbed	Fencing, 1s. p. cwt. Barbed, 2s. p. cwt.	Free	10,611
Buckles, butchers' saws and cleavers, crucibles, bolts of certain sizes, eyelets, emery-grinding machines, fish-hooks, hammers (quartz, knapping, and spalling), iron drums, iron- and brass-wove wire and wire gauze, iron pipes for local governing bodies, mattocks; machinery for rope- and twine-making, planing and wood-working, and for electric-lighting when imported by local bodies; picks, reaping-hooks, saws (band- and folding-) and frames for same, set-screws and studs (engineers'), sheep-shears, spiral springs, sheet-zinc or -iron (perforated or cellular), soldering-irons, steam and hydraulic-pressure and vacuum gauges	20 per cent.	Free	2,000*
CLASS XIII.—*Timber, and Articles made from Timber*—			
Hubs	15 per cent.	Free	40*
Lancewood	15 per cent.	Free	5*
Veneers	15 per cent.	Free	5*
Wooden handles for tools	15 per cent.	Free	500*
Carried forward	...	...	76,002

ARTICLES ON WHICH DUTY IS PROPOSED TO BE DECREASED—*continued.*

Articles.	Present Rate of Duty.	Proposed Rate of Duty.	Estimated Annual Loss in Revenue.
			£
Brought forward	...	...	76,002
CLASS XIV.—*Oils, Paints, &c.*—			
Kerosene	6d. per gal.	3d. per gal.	17,852
CLASS XV.—*Cordage, &c.*—			
Binder-twine	15 per cent.	Free	93
Hawsers, 12in. and over	20 per cent.	Free	...
Twine, Netmakers' cotton	20 per cent.	Free	10*
CLASS XVII.—*Miscellaneous*—			
Aniline dyes	...	...	...
American leather (textile)	...	...	200*
Bookbinders' requisites—additions to free list ...	...	...	50*
Carpenters' baskets	20 per cent.	Free	10*
Cement imported by Harbour Boards or County Councils	...	...	6,000
Church furniture, organs, &c.	20 per cent.	Free	400*
Family plate, &c.	20 per cent.	Free	40*
India-rubber belting	20 per cent.	Free	100*
Paper-making felts	20 per cent.	Free	10*
Photographic cameras, telescopes, magic lanterns, &c.	20 per cent.	Free	200*
Photographers' requisites—additions to free list ...	...	...	50*
Sheep-drenches	25 per cent.	Free	100*
Statues	20 per cent.	Free	20*
Tubular cotton-cloth for frozen-meat wrappers ...	20 per cent.	Free	100*
Typewriters	20 per cent.	Free	20*
University laboratories and Mining Schools, Chemicals for	15 per cent.	Free	200*
Waxed- or parchment-paper	20 per cent.	Free	50*
Woolpacks, woolpockets, &c.	...	Free	200*
Total decrease in revenue ...	...	...	101,707

MINUTES OF PROCEEDINGS.

WELLINGTON, MONDAY, 4TH FEBRUARY, 1895.

THE first meeting of the Tariff Commission took place at the Parliamentary Buildings, Wellington, on Monday, the 4th February, 1895, at 11 o'clock a.m.

Present: Hon. Major Steward, M.H.R. (Chairman); Mr. W. Hutchison, M.H.R., and Mr. W. W. Tanner, M.H.R.

The Secretary, Mr. E. W. Kane, was also in attendance.

The Chairman read the Commission.

The Secretary was authorised to obtain copies of the Christchurch *Press* containing a series of articles and interviews on the "industries" question.

After some telegrams between members of the Commission, the Premier, and others, as to the meetings of the Commission, had been read, the meeting adjourned until 3 o'clock in the afternoon.

Upon reassembling, Mr. J. Stevens, M.H.R., Mr. W. T. Glasgow, Secretary of the Customs, and Mr. W. H. Russell, reporter, attended.

The Chairman asked members for an expression of opinion as to whether Press representatives should be admitted or not, and, if so, upon what conditions.

After some discussion it was resolved that further consideration of the question should be postponed pending the arrival of Messrs. T. Mackenzie, M.H.R., and J. McGowan, M.H.R.

The question of fixing the dates and the route of the Commission was also held over pending the arrival of the other members of the Commission.

The Chairman mentioned that the Secretary had been authorised to insert an advertisement in the papers asking proposed witnesses to send in their names and addresses, and the subjects on which they wished to be examined.

Letters were received from the under-mentioned, in which they expressed a desire to give evidence before the Commission: Arthur W. Taylor, Auckland, wine-merchant; Mrs. C. Hinsch, Wellington; Read and Fenwick, Wellington, glass-silverers; E. C. Batkin, Wellington, tobacconist; B. Danks and Co., Wellington, coir-mattrass makers; and W. P. McGirr, secretary, Wellington Typographical Society.

A time was fixed for the examination of the Wellington witnesses to-morrow, and the Secretary was requested to inform the witnesses accordingly, and also to acknowledge the receipt of Mr. Taylor's letter.

The Commission then adjourned until to-morrow at 9.45 a.m.

WELLINGTON, TUESDAY, 5TH FEBRUARY, 1895.

The Commission met at 9.45 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Mrs. Hinsch and E. C. Batkin sent word to say that they were unable to attend to-day, but would attend at some future meeting.

Benjamin Danks, of Wellington, coir-mattrass maker, attended and made a statement.

Herbert Read and George Fenwick, of the firm of Read and Fenwick, glass-silverers and -bevellers, Wellington, attended, and Mr. Read made a statement.

At 12.45 p.m. the Commission adjourned until 7.30 p.m.

Upon reassembling, H. C. Jones, the president of the Wellington Typographical Society, attended and gave evidence, which was taken down by the reporter.

A letter from J. O'Brien, secretary of the Workers' Union, Waimate, referring to the duty on shearers' requisites, was read.

The Secretary was instructed to acknowledge the receipt of the letter, and state that the subject would receive consideration.

A. M. Smith, Secretary Department of Industries, wrote intimating that a Mr. William Sanderson, North Botany Glassworks, Sydney, desired a protective duty on glass bottles.

Resolved, That the receipt of the communication be acknowledged.

T. Garland, tinplate-worker, Wellington, wrote asking to be allowed to give evidence.

Resolved, That his evidence be taken to-morrow.

The Commission then adjourned until to-morrow at 2.30 p.m.

WELLINGTON, WEDNESDAY, 6TH FEBRUARY, 1895.

The Commission met at 2.30 p.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. McGowan, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

As Mr. Mackenzie had not arrived in Wellington, the question of admitting the Press was further adjourned until to-morrow.

A letter was received from E. Tregear enclosing an extract from his first report of the Labour Department.

Resolved, That the same be acknowledged.

The following wrote offering to attend and give evidence: Messrs. Philips and Pike, Commission merchants, Wellington; T. Arthur, sailmaker, Wellington; John Newton, soap-factory, Wellington; William Cliffe, secretary, Boilermakers' Society, Wellington; and A. E. Kernot, merchant, Wellington.

A time for taking the evidence of each witness was fixed for to-morrow.

A letter was read from Davidson and Co., of Masterton, as to the importation of fruit-trees from Victoria, and one from the secretary, Napier Harbour Board, as to the duty on cement; and a memorandum from the Hon. the Premier as to an interview with Mr. Bell, of Auckland, on the tariff question, and also one from A. M. Smith dealing with an application from Mr. Gill, foreign delegate of the Canadian manufacturers of furniture, as to admitting duty-free unfinished furniture, were received and read, and ordered to be acknowledged.

George McWhirter, representing the Tanners' and Curriers' Association, and Thomas Garland, tinsmith, Wellington, attended and gave evidence.

The Commission then adjourned until to-morrow at 10.30 a.m.

WELLINGTON, THURSDAY, 7TH FEBRUARY, 1895.

The Commission met at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Stevens, Mr. McGowan, Mr. Tanner, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

Sydney Philips, of the firm of Philips and Pyke, attended and gave evidence on Australian wines and the establishment of a tobacco industry.

John Newton, soap-manufacturer, of Kaiwara, attended and made a statement.

A. E. Kernot, of Wellington, agent, and J. Lachman, manager of P. Hayman and Co., Wellington, attended, and each made a statement as to the recent establishment of a wax-vesta manufactory in Wellington.

Caroline Hinsch attended and made a statement in reference to the manufacture of hop-beer cordial.

Harman P. Finemore, representing Wilson, Solomon, and Co., saccharine-manufacturers, and C. Nees, millwright, of Wellington, wrote desiring to give evidence.

Resolved, That they be invited to attend.

Resolved, That R. Bell and Co., wax-vesta manufacturers, Wellington, be invited to attend and give evidence.

T. Arthur, sailmaker, Wellington, wrote saying he was unable to attend the Commission, but sent samples of twine and eyelets used in his trade upon which he had to pay 20 per cent. duty, and asked to have same reduced, as similar articles used in other trades were admitted free.

After discussion as to whether the representatives of the Press should be admitted and attend the meetings of the Commission,

Mr. Tanner moved, That no evidence be published in the newspapers except that which is supplied daily to the newspapers by the Secretary.

Mr. Mackenzie moved, That the Press representatives be admitted, but that the Commission may, if they deem it necessary, resolve that the reporters do not publish the evidence of any witness who might object to its being published.

Upon Mr. Mackenzie's amendment being put, a division was called for, and the names were taken down as follow:—

Ayes.—Mr. Hutchison, Mr. Stevens, Mr. Mackenzie.

Noes.—Mr. McGowan, Mr. Tanner, Hon. Major Steward.

The votes being equal, the Chairman gave his casting-vote with the Noes.

So the amendment passed in the negative.

Upon Mr. Tanner's motion being put, it passed in the affirmative.

On the motion of Mr. Tanner, *Resolved*, That the Commission proceed to the South Island before going to the North.

After discussion, *Resolved*, That the Commission leave Wellington on Wednesday, the 13th instant, and proceed to Christchurch, Dunedin, Invercargill, returning, and take Oamaru, Timaru, proceeding from Christchurch to the West Coast, and then to Nelson, and on to Wellington, and afterwards take the North Island, concluding in Wellington.

The Commission adjourned at 5.30 p.m. until 7.30. p.m.

Upon reassembling at 7.30 p.m., William Cliffe, delegate from the Boilermakers' and Iron-ship Builders' Society of Wellington, attended, and made a statement.

The Commission adjourned at 9 p.m. until 10.45 a.m. to-morrow.

WELLINGTON, FRIDAY, 8TH FEBRUARY, 1895.

The Commission met at 10.45 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. Mackenzie, Mr. McGowan, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

A deputation of importers, consisting of John Ross (Sargood, Son, and Ewen), A. Corrigan (D.I.C.), J. H. Stringer (Bing, Harris, and Co.), D. Jones (Ross and Glendining), J. Kirkcaldie (Kirkcaldie and Stains), waited on the Commission and gave evidence as to the tariff.

G. V. Shannon, Customs expert, attended, and made a statement in reply to the request of the above deputation.

C. Nees, of C. Nees and Son, Wellington, millwrights, and Percy A. Hadley, manager for New Zealand of the Litofuge Manufacturing Company of New York, attended and gave evidence.

James Fleming, of Christchurch, wrote concerning Dacca hides from Calcutta.

Mr. Worboys, Mauriceville, asked for the removal of the 20-per-cent. duty on magic-lanterns used in State schools.

Thomas White, silversmith, of Christchurch, wrote concerning tariff on silver- and electro-plated goods.

Resolved, That the same be acknowledged.

The Commission then adjourned until Monday next at 10.45 a.m.

WELLINGTON, MONDAY, 11TH FEBRUARY, 1895.

The Commission met at 10.45 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. Mackenzie, Mr. McGowan, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

The following correspondence was received, and ordered to be acknowledged, namely: C. H. Mills, M.H.R., Havelock, enclosing letter from Brownlee Brothers, asking for a remission of 20-per-cent. duty on certain machinery; U.S. Public Works, enclosing extracts of letter from J. Heatly, Dunedin, dealing with the duty on rice; John C. Thomson, Riverton, on the question of the imported printed billheads; T. R. Chamberlain, Feilding, as to raising the duty on imported flour.

R. Bell and S. Philips attended, and gave evidence on the question of a wax-vesta manufactory at Wellington.

William Cable, of the Lion Foundry, Wellington, asked for a remission of duty on certain appliances used in the iron trade which could not be made in the colony.

Frederick Calton, of Wellington, saddler, asked for a remission of duty on kangaroo-skins used for making whip-thongs.

The Commission adjourned at 4.30 p.m. until 10.45 a.m. to-morrow.

WELLINGTON, TUESDAY, 12TH FEBRUARY, 1895.

The Commission met at 10.45 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Mackenzie, Mr. Stevens, Mr. McGowan, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

Some formal correspondence was received and read, and ordered to be acknowledged.

Coleman Phillips attended, and made a statement of the outward trade, and in what manner the trade could be encouraged as regards New Zealand and the South Sea Islands.

On the motion of Mr. Stevens, *Resolved*, That a special vote of thanks be passed to Mr. Phillips for the interesting paper he had read before the Commission.

G. H. Poynter, shoemaker, Wellington, attended, and made a statement asking for a reduction of the duties on the higher-class leathers which are not made in the colony.

George Norton, boatbuilder, Wellington, attended, and asked to have a duty placed on imported racing-boats.

Henry Neill, watchmaker, of Dunedin, attended, and asked for a reduction of duty on certain imported watchmakers' tools.

Samuel Carnell, M.H.R., attended, and made a statement, as representing the photographers of the colony, as to the duty on photographers' materials.

A telegram from the fruit-growers of Teviot and Alexandra, asking for a visit from the Commission, was read and ordered to be acknowledged.

On the motion of Mr. Hutchison, *Resolved*, That the Commission sit at Christchurch on Thursday, Friday, Saturday, and Monday next, and then proceed to Dunedin on the Tuesday, and open on Wednesday following, it being understood that the Commission sit again at Christchurch on its return, before proceeding to Greymouth.

Colonel Hume wrote offering the use of a constable at the different places to act as a messenger.

The Commission then adjourned, at 4.30 p.m., until Thursday next, at Christchurch.

CHRISTCHURCH, THURSDAY, 14TH FEBRUARY, 1895.

The Commission opened at the Land Board Office, Christchurch, on Thursday, 14th February, 1895, at 3 o'clock p.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Hutchison, Mr. Mackenzie, Mr. Tanner, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

Several letters from persons offering to attend and give evidence were received and read, and a time fixed for hearing same.

The Commission then adjourned until to-morrow at 10.45 a.m.

CHRISTCHURCH, FRIDAY, 15TH FEBRUARY, 1895.

The Commission met at 10.45 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Mackenzie, Mr. Hutchison, Mr. Stevens, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

Further applications were received from persons wishing to give evidence, and a time was fixed for taking same.

John Drapper, of Christchurch, paper-bag maker, made a statement asking for an increase of duty on imported bags.

Albert Lamb Smith, manager for Messrs. Blackburn and Co., made a statement in reference to sheep-dip.

Frederick Trent (Trent Brothers) made a statement in reference to coffee and spices, &c.

Dr. Hacon, of Christchurch, made a statement on drugs.

F. Wilding, F. Sisson, and S. B. Wilson attended as a deputation from the Canterbury fruit-growers, and gave evidence in reference to the fruit industry.

E. C. Mouldey, of Christchurch, twine-manufacturer, made a statement.

John Faulkner, of Christchurch, made a statement in reference to imported sieves and wire netting.

A deputation from the Amalgamated Society of Engineers, Christchurch, consisting of George Henry Watson (president), James Anstiss, Benjamin Firth, Dennis Starbuck Turner, James Chalmers (secretary), attended and gave evidence in reference to the trade, and handed in a marked copy of the tariff, with suggested increases on certain articles that could be made in the colony.

A deputation from the tanners' and curriers' trade, Christchurch, consisting of Alexander McKinnon (secretary), John Milne, Edwin Sheord, and Frederick A. Webster, attended and gave evidence in reference to their trade and the duties levied on leather.

The Commission adjourned at 9.30 p.m. until 10 a.m. to-morrow.

CHRISTCHURCH, SATURDAY, 16TH FEBRUARY, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. Mackenzie, Mr. McGowan, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

George Henry Blackwell, managing director of the Kaiapoi Woollen Mills, attended and made a statement.

G. S. Jakins, grain-merchant, Christchurch, made a statement.

Ebenezer C. Brown, manager, D.I.C., Christchurch, made a statement.

The Commission then adjourned until 10.45 a.m. on Monday.

CHRISTCHURCH, MONDAY, 18TH FEBRUARY, 1895.

The Commission met at 10.45 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. McGowan, Mr. Stevens, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

Some further applications to give evidence were received, and ordered to be acknowledged.

Harman P. Finemore, representing Messrs. Wilson, Salamon, and Co., of London, saccharine-manufacturers, attended and made a statement in support of a reduction of the duty on saccharine.

G. G. Stead, of Christchurch, attended and made a statement.

A deputation, consisting of J. A. Frostick (of the firm of Skelton, Frostick, and Co.), W. Toomer (of Toomer Brothers), H. Milligan (treasurer, Bootmakers' Union), and J. A. Kemp (president), attended as representing the boot trade of Christchurch, and gave evidence.

W. Darlow and A. Lilleyman, bootmakers, also gave evidence.

W. F. Waller (of Waller, Myhra, and Co.) attended and made a statement, asking for an increase of duty on imported bicycles.

G. C. Price, of Christchurch, liquid-gum maker, made a statement.

Messrs. Hutchison and Mackenzie brought under the notice of the Commission that his Worship the Mayor of Hokitika desired the Commission to visit Hokitika, and it was resolved to do so, and to inform his Worship accordingly.

The Commission adjourned, at 5.30 p.m., until Wednesday next, at 10 a.m., at Dunedin.

DUNEDIN, WEDNESDAY, 20TH FEBRUARY, 1895.

The Commission met at the Ministers' Rooms, Dunedin, at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Mackenzie, Mr. McGowan, Mr. Stevens, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

As some inconvenience was caused by the rooms at Bond Street being so small, it was resolved, on the motion of Mr. Mackenzie, that the Secretary arrange for rooms either at the Land Office or at the Corporation Offices.

At a later period of the meeting, Mr. Maitland, Commissioner of Crown Lands, attended, and offered the use of the Land Board Office, which was accepted, with thanks.

A number of applications were received from persons desirous of giving evidence, and a time was fixed for taking same.

On the motion of Mr. Mackenzie, *Resolved*, That the Commission sit at Dunedin to-morrow, Thursday, Friday, and Saturday, and proceed to Invercargill on Monday next, and upon the return to Dunedin to hold another sitting to complete the taking of evidence.

As the day was a public holiday, the Commission adjourned until to-morrow at 10.45 am.

DUNEDIN, THURSDAY, 21ST FEBRUARY, 1895.

The Commission met at 10.45 a.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, Mr. Hutchison, Mr. McGowan, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A number of further applications to take evidence were received, and a time fixed for hearing same.

William Gregg, coffee-manufacturer, made a statement on coffee, &c.

George Henry Oatway, agent, Buckeye Harvester Company, made a statement in regard to twine.

Frank Oakden, of the Milburn Cement-works, made a statement on cement.

Robert and Robert William Rutherford made statements in regard to wax vestas.

Henry S. Jones, representing P. Hayman and Co., made a statement on wax vestas.

A. Macdonald, representing McPherson, Kemp, and Co., made a statement on confectionery.

J. Neil, herbalist, made a statement in regard to imported drugs.

Andrew Walker, delegate from the Dunedin Typographical Association, made a statement.

On the motion of Mr. Stevens, *Resolved*, That, upon the return of the Commission to Dunedin, Messrs. J. C. Cameron (D. Benjamin and Co.), J. North (Bing, Harris, and Co.), and R. Turnbull (Sargood, Son, and Ewen) be summoned to give evidence.

The Commission then adjourned until to-morrow at 10.45 a.m.

DUNEDIN, FRIDAY, 22ND FEBRUARY, 1895.

Present: Hon. Major Steward (Chairman), Mr. Mackenzie, Mr. Tanner, Mr. Stevens, Mr. McGowan, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

On the motion of Mr. Tanner, *Resolved*, That C. W. T. Chamberlain, Collector of Customs, Dunedin, be summoned to attend the Commission upon the return of the Commission to Dunedin.

Douglas Harris Hastings, advertising contractor, gave evidence on stereos.

Hon. W. J. M. Larnach, M.H.R., C.M.G., introduced a deputation from Central Otago fruit-growers—namely, M. E. Manuel, Joseph Tamblyn, John Bennetts, Henry Bloxham, John Moodie, Albert Birch, and A. Lorie (manager of the Alexandra Fruit-growers' Company).

Mr. Larnach made a statement.

M. E. Manuel, Joseph Tamblyn, John Bennetts, Albert Birch, and A. Lorie each made a statement.

T. P. Farra, tinsmith and japanner, and F. J. Lake, tinsmith, attended, and each made a statement.

The Commission adjourned at 5 p.m. until to-morrow at 10.45 a.m.

DUNEDIN, SATURDAY, 23RD FEBRUARY, 1895.

The Commission met at 10.45 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. Stevens, and Mr. McGowan.

The minutes of the last meeting were read and confirmed.

A letter was received from J. Frostick, Christchurch, stating that the boot-manufacturers and curriers had agreed upon a basis of settlement, and that the suggestions would be laid before the Commission upon its return to Christchurch. Letter ordered to be acknowledged.

Resolved, That the Secretary write to the different parties of the iron trade at Wellington, asking them to try to agree to a similar basis of settlement.

Walter Stott and J. H. Smellie, iron-rollers, attended and made a statement.

The Commission then adjourned until Tuesday next, at Invercargill, at 10.30 a.m.

INVERCARGILL, TUESDAY, 26TH FEBRUARY, 1895.

The Commission opened at the Post-office Buildings, Invercargill, on Tuesday, the 26th February, 1895, at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. Mackenzie, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

The Chairman read a letter which he had received from Mr. Hutchison, M.H.R., stating he was too unwell to leave Dunedin yesterday, but, if well enough, would leave to-day.

A number of applications to give evidence were received, and a time appointed for taking same.

Before proceeding to hear evidence, Mr. Mackenzie alluded to the fact that, owing to the Commission sitting mostly in the centres of the colony, evidence was tendered by the city witnesses often with a Protectionist or selfish view, and he suggested, as farmers and country settlers, by reason of the fact of their living far away, could not attend, that the secretaries of pastoral and agricultural and farmers' associations should be invited to attend and give evidence as regards the farmers' views.

The Commission, on the motion of Mr. Mackenzie, resolved to summon the secretaries of agricultural and pastoral associations in the different centres as suggested.

James Macalister, manager of the Southland Farmers' Implement and Engineering Company (Limited), gave evidence on the iron trade.

Benjamin Edwards gave evidence on edge tools, such as axes, slashers, &c.

C. S. Ross gave evidence on the question of imported photo enlargements taken in the colony and sent out for execution.

John Bath and W. H. Mathieson, coachbuilders, gave evidence in reference to articles used in their trade.

James McNatty, delegate from the Bootmakers' Union, Invercargill, gave evidence.

James Richard Richards, manager of the New Zealand Chemical Manufacturing Company, Invercargill, gave evidence relating to sheep-dip and paraffin-candle making.

William Ross, manager of the Southland Rope Company, gave evidence on binding-twine and other matters.

Joseph Hatch gave evidence in regard to sheep-dip and the oil industries.

The Commission adjourned at 5.15 p.m. until to-morrow at 10.15 a.m.

INVERCARGILL, WEDNESDAY, 27TH FEBRUARY, 1895.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Mackenzie, Mr. Tanner, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

A letter was received from the manager of the Mataura Paper-mills, asking the Commission to visit the mills at Mataura to-morrow.

Resolved, That the Commission leave by the early train to-morrow (Thursday), stay at Mataura for a time, and go on by the express to Clinton, stay at Clinton until the leaving of the express train on Friday for Dunedin, and open at Dunedin on Saturday next.

Resolved, That the Secretary write to the secretary of the North Otago Agricultural and Pastoral Association, Oamaru, and the Agricultural and Pastoral Association, Dunedin, stating that the Commission would sit at these places, and asking them to give evidence.

A letter from Mr. Strange, coffee-manufacturer, Invercargill, was read and ordered to be acknowledged.

A deputation of Invercargill fruit-growers, introduced by J. W. Kelly, M.H.R., consisting of H. McLean, S. Richter, and R. Cleave, gave evidence on the fruit industry.

Henry Hawson and William Lewis, importers, gave evidence on the anomalies of the tariff, and asked for the removal of the duty on cases.

W. T. Glasgow, Secretary of Customs, read a memorandum on the question of the duty on cases.

John Fraser, monumental mason, gave evidence on imported marble and granite.

Henry Mark Levinge, M.D., gave evidence as to the establishment of chemical industries.

J. Kingsland, confectioner, gave evidence, asking for the removal of duty on block chocolate used in the manufacture of chocolate creams.

James Brockenshaw, fishmonger, gave evidence relating generally to the oyster and fishing industries, and asked that the duty be raised on imported oysters and for an export duty on fish.

R. F. Cuthbertson, secretary to the Southland Agricultural and Pastoral Association, gave evidence in regard to several matters raised by the Commission, and on which evidence had been given by previous witnesses.

The Commission then adjourned at 10.15 p.m. until to-morrow at 10 a.m., at Mataura.

MATAURA, THURSDAY, 28TH FEBRUARY, 1895.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, Mr. Mackenzie, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

Thomas Cullen, one of the partners of the Mataura Falls Paper-mills Company, gave evidence.

After the Commissioners had inspected the mills, the Commission adjourned till Saturday next, at 10.30 a.m., at Dunedin.

DUNEDIN, SATURDAY, 2ND MARCH, 1895.

The Commission resumed its sittings at 10.30 a.m., at the City Council Chambers, Dunedin.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, Mr. Mackenzie, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

A number of applications to give evidence were received, and a time appointed for taking same.

The Commission then adjourned until 9.30 a.m. on Monday next.

DUNEDIN, MONDAY, 4TH MARCH, 1895.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. McGowan, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

S. Slesinger, veterinary surgeon, made a statement, asking for increase of duty on imported horse- and cattle-blisters, embrocations, and medicines.

Albert Edward Colebrook, of the firm of Colebrook Brothers, London, boot-manufacturers, made a statement in regard to the duties on boots and leathers.

Robert Watson, retired Civil servant, attended and offered suggestions for the improvement of the tariff.

A. H. Bridger, of Sargood, Son, and Ewen; James F. Arnold and Sydney C. Brown, representing the Dunedin Bootmakers' Union; and Robert McKinlay, representing the Manufacturers' Association of Dunedin, attended as a deputation, and made statements in regard to the boot industry.

James Joseph Connor (*Tablet* Printing-office), John Barclay (Mills, Dick, and Co.), and Patrick Leith Ritchie (Caxton Printing Company) attended, and asked that chromo-lithographic pictorial calendars should be admitted free of duty.

W. J. Meek, of Dunedin, manufacturer of ink, asked for an increase of duty on imported ink.

Gerald Blanchfield, delegate from the Dunedin curriers and tanners, attended, and made a statement in regard to the leather trade.

The meeting then adjourned, at 5 p.m., until to-morrow, at 9.30 a.m.

DUNEDIN, TUESDAY, 5TH MARCH, 1895.

The Commission met at 9.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, Mr. McGowan, Mr. Hutchison, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A letter was received from the secretary of the Agricultural and Pastoral Society, Dunedin, offering suggestions on certain items of the tariff as it affects the farmers, but stating he could not attend, as he was not accredited to do so by the association.

After discussion, *Resolved,* on the motion of Mr. Stevens, that the secretary of the Otago Agricultural and Pastoral Society be informed that, the Commission having decided from the outset that only oral evidence be recorded, they will be pleased to make arrangements to enable him to give evidence in support of the views mentioned in his letter, and that an expression of opinion from a gentleman in his position will be considered valuable by the Commissioners, whether he has been formally accredited by his association or not.

Charles Ziele, managing director of McLeod Brothers and Co., gave evidence on soap- and candle-making, and asked for an increase of duty on same.

A. H. Burton, photographer, asked for the removal of duties on certain articles used in the photographing business.

Richard Hudson, manufacturer of biscuits and confectionery, gave evidence, and asked for an increase of duty on imported confectionery.

David Gilmour Stephens, overseer, Dunedin Harbour-works, asked for the removal of the duty on saccharine tablets.

Thomas Kempthorne, of the New Zealand Drug Company, gave evidence on various questions in connection with the tariff.

John McPhee, clay-pipe maker, asked for an increase of duty on imported clay pipes.

The Commission adjourned, at 5.15 p.m., until 9.30 a.m. to-morrow.

DUNEDIN, WEDNESDAY, 6TH MARCH, 1895.

The Commission met at 9.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. McGowan, Mr. Stevens, Mr. Hutchison, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

Charles Ziele attended and made some corrections in his evidence.

John Downie Miller, South Dunedin, attended and made a statement in regard to taxing owners of riparian rights.

Robert Wilson, representing A. and T. Inglis, boot manufacturers and importers, attended and made a statement in regard to the boot and shoe industry.

Robert Cleland, of the firm of R. Cleland and Co., attended and asked that a duty on sheep-dip be imposed.

C. H. Statham, on behalf of William Markham, twine-manufacturer, South Dunedin, asked that white cotton yarn for the purpose of making twine be admitted free.

J. H. Kirby, tailor and white-shirt maker, asked that the duty be taken off linen used for fronts, cuffs, and trimmings used in shirt-making.

Edmund Ogden, Thomas Wall, and Joseph Wood, felt-hat makers, asked for an increase of duty on imported felt hats.

Robert Fergus Smith, of Dunedin, painter, asked for an increased duty on paints in oil and ready-mixed paints.

W. T. Glasgow, Secretary of Customs, in regard to the evidence of the soft-goods importers at Wellington, read a statement in reference to the values on which duty is paid in New Zealand.

Francis Joseph Sullivan, fish salesman, Dunedin, asked that cotton fish-nets be admitted free, also that the duty be taken off imported Australian wild ducks and imported mutton-birds, and that an extra duty be imposed on imported cod-liver oil.

The Commission, at 5.30 p.m., adjourned until to-morrow at 10 a.m.

DUNEDIN, THURSDAY, 7TH MARCH, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Mackenzie, Mr. Tanner, Mr. McGowan, Mr. Hutchison, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Several applications to give evidence were received, and a time fixed for taking same.

Charles Thomas Paterson, James John Pryor, and John Hopcraft (representing William Bull), attended as a deputation from the Dunedin fruit importers, and gave evidence in regard to the fruit trade.

Richard Radcliffe Taylor, proprietor of the Zealandia Waterproof Company, made a statement, and asked that the duty on certain articles used in his trade be taken of.

Henry North and W. G. North attended, and the former made a statement in which he asked that the duty on imported brooms and brushes be increased.

W. Alcock and W. Byers, of the Milton Pottery Company, attended, and asked for an increased duty on glass bottles, &c.

D. Pinkerton, M.H.R., made a statement with regard to imported fishhooks and fishing-flies.

William Smith, farmer, South Australia, made a statement with regard to grapes grown in South Australia.

Solomon Gillies and John Gilmour, engineers, attended as a deputation from the Amalgamated Society of Engineers, and gave evidence in regard to the iron trade.

James W. Faulkner, wire-worker, Dunedin, made a statement in regard to his trade.

The Commission, at 5 p.m., adjourned until to-morrow at 9.30 a.m.

DUNEDIN, FRIDAY, 8TH MARCH, 1895.

The Commission met at 9.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. McGowan, Mr. Mackenzie, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Some correspondence was read and ordered to be acknowledged.

J. W. Faulkner attended, and made a statement in continuation of the evidence of yesterday.

A. C. Broad, of Dunedin, attended, and asked for an increase of duty on imported brushware.

J. C. Cameron (D. Benjamin and Co.), James North (Bing, Harris, and Co.), and Robert Turnbull (Sargood, Son, and Ewen), attended upon summons from the Commissioners, and gave evidence as to anomalies in the tariff.

James Horsburgh, bookseller, attended and gave evidence upon locally-made writing- copying-, and drawing-books.

George S. Lintott, maltster and brewers' agent, asked for a reduction of duty on brewers' caramel.

R. Anderson, monumental mason, Dunedin, attended as a representative from the members of his trade, and asked for an increase of duty on Italian-worked marble.

John Christie, of Dunedin, plumber, asked for the removal of duty on plumbers' sanitary ware and lead pipes.

Thomas Menzies, of Thomas Menzies and Co., Dunedin, asked for an increase of duty on imported sauces.

Joseph Heatley, commercial traveller for Messrs. Scoular and Co., gave evidence on questions affecting the tariff.

Thomas Stevenson, electrical engineer, manager New Zealand Electrical and Engineering Company, gave evidence on questions affecting their trade.

At the suggestion of the Chairman, *Resolved*, on the motion of Mr. Tanner, That a hearty vote of thanks be passed to his Worship the Mayor of Dunedin for his kindness in placing the City Council Chambers at the disposal of the Commission.

It was then decided to leave Dunedin on Tuesday next, and work northwards at certain dates, opening first at Oamaru.

The Commission adjourned at 5 p.m. until Monday next at 9.30 a.m.

DUNEDIN, MONDAY, 11TH MARCH, 1895.

The Commission met at 9.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. McGowan, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

James Neil, president, H. Lethaby, treasurer, John M. Murray, secretary, and P. Rankin and S. Slesinger, members, of the Otago Protection Society, attended as a deputation and made statements as to certain articles imported into the colony, and which can be made in the colony, and also gave general expression to their views.

After the witnesses had completed their remarks, it was resolved, on the motion of Mr. McGowan, That, as the statements of the members of the deputation was an expression of opinion and not in the nature of evidence, the same be not included in the evidence of the Commission, but a *précis* of same be supplied to the newspapers. The deputation agreed to this.

H. Lethaby, umbrella-maker, asked the duty to be taken off certain silk and tassels used in his trade.

H. Schlaadt, of Schlaadt Brothers, engineers, asked for an increase of duty on certain imported articles (stamping-knives) used by bootmakers and printers, and which can be made in the colony.

W. T. Glasgow, Secretary of Customs, read a statement with reference to the question of spirit used in manufacturing bonds, for making perfumed spirits, essences, &c.

John H. Morrison, manager Mosgiel Woollen Factory Company (Limited), Dunedin, made a statement in regard to anomalies in the tariff.

C. W. Kerr, manager for Reid and Gray, made a statement in regard to coal.

Alexander Burt, of A. and T. Burt and Co., and Archibald Morrison, of Morrison and Co., ironfounders, attended and made a statement in regard to hardware, mining and dairy machinery, imported free of duty.

Charles Rawlins, mine-manager, of Lawrence, made a statement, and asked that the duty be removed on certain articles used by miners.

Charles W. T. Chamberlain, Collector of Customs, made a statement as to the use of spirits used in manufacturing bonds.

Frank Oakden and John White gave evidence in support of further increase of duty on cement.

Ernest Turner, of Turner and Co., manufacturing chemists, made a statement in regard to the duty on materials used in the making of acids.

Andrew Devlin, George Chisholm, David Dixon, lapidaries, made a statement in regard to greenstone and precious stones sent out from New Zealand in the rough and imported again in a carved state.

B. J. Bellett, stationer, gave evidence, and asked for an increase of duty on imported ink.

J. B. McCallum, Peter Miller, and S. H. Trevena gave evidence, and asked for an increase of duty on imported saddlery.

Samuel Richard Steadman, agent and importer, and W. A. Scott, cycle-manufacturer, gave evidence as to imported bicycles and articles used in their manufacture.

Alexander Thompson, sailmaker and maker of oil-clothing, gave evidence in regard to certain articles used in his trade, and asked for an increase of duty on same.

On the motion of Mr. Stevens, *Resolved*, That the Commission spend the whole of to-morrow in visiting factories, and proceed north by the express on Wednesday next, instead of Tuesday afternoon as previously resolved.

The Commission at 5.30 p.m. adjourned until to-morrow at 9 a.m.

DUNEDIN, TUESDAY, 12TH MARCH, 1895.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Mackenzie, Mr. Tanner, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

The Commission met at 9 a.m., and proceeded to Ross and Glendining's warehouse, from whence they were driven out to the Roslyn Woollen and Worsted Mills, and shown over same by Mr. Glendining. Then proceeded to J. Bayley and Co.'s tannery, and, after inspecting the manufactory, the evidence of J. Bayley was taken in reference to the duty on imported leathers.

The Commission afterwards inspected the Otago Iron-roller Mills, and returned to town.

In the afternoon the Commission inspected J. W. Faulkner's wireworks, McLeod Brothers and Co.'s soapworks, and the Mosgiel Woollen Factory.

OAMARU, WEDNESDAY, 13TH MARCH, 1895.

The Commission met at the County Council Office, Oamaru, at 3.30 p.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. Mackenzie, Mr. McGowan, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Horace Rose, manager of the National Mortgage and Agency Company, gave evidence in support of no duty being placed on imported sheep-dip.

George Brownlee, of Brownlee and Co., nurseryman and seedsman, asked that the present duty on imported water-tanks in which seeds are imported be reduced by half of the present rate.

Thomas Meek, miller, and chairman of directors of the Oamaru Woollen Factory (Limited), made a statement in regard to tweeds and unions, and also as to the duty on machinery used in the woollen mills.

Donald Borrie, farmer, and a member of the North Otago Association, attended by request of the Commission, and gave evidence on sheep-dip, and also on certain matters of interest to the agricultural and pastoral interests.

Robert Blair, general importer, gave evidence on earthenware.

At the suggestion of the Chairman, a hearty vote of thanks was passed to Mr. George Sumpter for his kindness in arranging the hours for the attendance of witnesses, and also a similar vote to the Chairman of the County Council, Oamaru, for placing the use of the room at the disposal of the Commission whilst at Oamaru.

The Commission adjourned at 9 p.m. until 9.30 a.m. to-morrow, at Waimate.

WAIMATE, THURSDAY, 14TH MARCH, 1895.

The Commission met at the County Council Offices, Waimate, on Thursday, the 14th March, 1895, at 9.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. Hutchison, Mr. McGowan, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A letter from Coleman Phillips, of Featherston, was read, in which he asked that the map put in with his evidence should be lithographed and attached to his evidence, and that he be supplied with a copy of his evidence in order that he might place same before Mr. Reid, the Premier of New South Wales.

After discussion, Mr. Tanner moved, That the letter be acknowledged, but that no further action be taken thereon.

The motion was seconded by Mr. McGowan *pro formâ*.

Mr. Stevens moved, by way of amendment, and Mr. Mackenzie seconded, That the map be published and attached to the evidence, but that Mr. Phillips be informed that the Commission cannot supply him with a copy of his evidence or the map, as no evidence can be disclosed till the Commission has reported.

Upon the question being put that the original question be agreed to, a division was called for, and the names were taken down as follow:—

Aye.—Mr. Tanner.

Noes.—Mr. Hutchison, Mr. Mackenzie, Mr. McGowan, Mr. Stevens, Hon. Major Steward.

So it passed in the negative.

Upon the amendment being put as the original question it passed in the affirmative.

John O'Brien, George Pearce, and William Boone, members of the Workers' Union, attended as a deputation.

John O'Brien, secretary, and George Pearce, member, each made a statement in reference to shearers' requisites.

At the suggestion of the Chairman, a hearty vote of thanks was passed to David Jones, Clerk of the County Council, for arranging with witnesses the hours of attendance, and for obtaining the use of the County Council room for the use of the Commission whilst at Waimate.

The Commission then adjourned.

TIMARU, FRIDAY, 15TH MARCH, 1895.

The Commission met at the Borough Council Chambers, Timaru, on Friday, 15th March, 1895, at 9 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. McGowan, Mr. Stevens, Mr. Tanner, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

William Bourne, cabinetmaker, asked that veneers be admitted free.

Samuel Kirby asked for a duty on imported building-stone.

James Lillico, manager of the South Canterbury Woollen Manufacturing Company, asked that card clothing, machine (duplicate) furniture, and fancy-worked and silk yarns be admitted free. He also gave evidence relating to flannelettes, unions, and tweeds, &c.

Jonathan Allpress, sauce-manufacturer, gave evidence as to the evasion of duty on imported sauces.

John Talbot, chairman of the Timaru Harbour Board, and J. W. Tennett, secretary, asked that ropes and dredging machines and appliances be admitted free.

John Talbot, J. Anstey, and H. Inglis, members of the South Canterbury Farmers' Association, and G. P. Wood, secretary, Timaru Agricultural and Pastoral Association, attended as a joint deputation, and gave evidence on certain farming and agricultural machinery, implements, and articles upon which they thought duty should be free.

A vote of thanks was passed to Mr. A. Hart, Collector of Customs, for arranging the hours of attendance of witnesses, &c., and to the Chairman of the Borough Council, Timaru, for granting the use of the Borough Council Chambers to the Commission.

The Commission then adjourned, at 4.45 p.m.

ASHBURTON, SATURDAY, 16TH MARCH, 1895.

The Commission met at the County Council Office, Ashburton, on Saturday, the 16th March, 1895, at 11 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Mackenzie, Mr. Hutchison, Mr. Stevens, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

Charles Mytton Brooke, chemist, asked for an increase of duty on imported sheep-dip.

Henry Zander, general importer, gave evidence on certain articles affecting the farming industry.

Rudolph Friedlander and Donald Williamson attended as a deputation from the Ashburton Agricultural and Pastoral Association, and gave evidence on certain articles affecting the farmers.

On the motion of Mr. Tanner, a vote of thanks was passed to C. Mainwaring, Clerk, County Council, Ashburton, for obtaining the use of the County Council Chambers for the Commission, and for arranging the hours of attendance of witnesses.

The Commission then adjourned.

CHRISTCHURCH, MONDAY, 18TH MARCH, 1895.

The Commission resumed its sittings at the old Provincial Buildings, Christchurch, on Monday, the 18th March, 1895, at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, Mr. McGowan, Mr. Hutchison, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

Correspondence was read and ordered to be acknowledged.

A number of applications to give evidence were read, and an hour was fixed for hearing same.

Alexander Cameron, of Cameron Brothers and Co., of America and Australia, tobacco-growers, gave evidence on the question of tobacco-growing, and as to the duty on same.

Sydney Philips, of Wellington, also gave evidence on the same question.

Arthur Andrews, of A. Andrews and Co., bookbinders and account-book manufacturers, gave evidence on the question of imported stationery and account-books, and asked for an increase of duty on same.

G. W. Russell, M.H.R., pointed out some anomalies in the tariff as regards imported directories and imported circulars, &c.

Edward Featherstonhaugh Dombrain, importer, gave evidence on the question of sheep-dip, and asked that no duty be placed on same.

The Commission adjourned at 5.30 p.m. until to-morrow at 9.30 a.m.

CHRISTCHURCH, TUESDAY, 19TH MARCH, 1895.

The Commission met at 9.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. McGowan, Mr. Hutchison, Mr. Tanner, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

The Chairman brought up the question of a duty on samples, and Mr. Glasgow made a statement concerning same.

E. G. Staveley, president, Canterbury Agricultural and Pastoral Association, and M. Murphy, secretary, attended, and gave evidence against any duty being placed on imported sheep-dip, and afterwards, at the request of the Commission, gave their views as to the duty on certain articles and implements used by the agricultural and farming people.

A. L. Smith, manager, Milburn Company, Christchurch, and H. B. Kirk, president of the Industrial Association, and also representing Messrs. Wilson and Co., of Auckland, attended and asked for an increased duty on imported cement.

William Arthur Leach, of Gavin, Gibson, and Co.; J. Harris, of W. Harris and Co.; and A. Nicholls, of Chisnal, Steward, and Nicholls, attended as a deputation from importers and retailers of boots and shoes, and made a statement in regard to the duty on imported boots.

John Lee Scott, of Scott Brothers, attended and made a statement as to the duty on certain articles used in the iron trade.

J. A. Frostick, George Bowron, Henry G. Wood, and T. Vivian attended as a joint deputation from the bootmakers and tanners and curriers, and gave evidence on the question of a basis agreed upon by the two industries.

J. A. Frostick, H. Milligan, and J. A. Kemp attended and produced samples of imported boots taken to pieces.

William Rowe asked for a higher duty on edge-tools, such as slashers, &c.

Some discussion ensued as to whether a certain pamphlet on prison labour, which Mr. Mackenzie had received from W. G. North at Dunedin, should be included in Mr. North's evidence.

Mr. Tanner proposed, That, with the permission of Mr. Mackenzie, the pamphlet be returned to W. G. North, and he be asked to mark any passages he may have read, and return same, with a view of having the extracts printed with his evidence.

Hon. W. J. Steward seconded it *pro formâ*.

Upon the question being put, a division was called for, and the names were taken down as follow:—

Aye.—Mr. Tanner.

Noes.—Mr. Mackenzie, Mr. Stevens, Mr. McGowan, Hon. Major Steward.

So it passed in the negative.

The Commission adjourned at 5.30 p.m. until to-morrow at 9.30 a.m.

CHRISTCHURCH, WEDNESDAY, 20TH MARCH, 1895.

The Commission met at 9.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. McGowan, Mr. Hutchison, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

Nicholas Oates, cycle-maker, attended and asked an increased duty on bicycles.

Thomas White, silversmith, asked for an increased duty on silverplate.

Thomas Wardell, steel-founder, asked for a duty on steel and steel castings, &c.

C. J. Clayton, bootmaker, asked that a duty be placed on children's boots, 0's to 3's.

Nimrod Mitchell, carpet-maker, asked for a higher duty on imported carpets.

Henry F. Wigram, of Christchurch, maltster, asked that, in the event of the South Australian Government admitting New Zealand barley free of duty, a similar concession be made in the case of malt.

William Gimblett, nurseryman, asked for a higher duty on imported fruit.

Arthur C. Reid, representing A. J. White and Co., pointed out certain anomalies in the method of collecting duty on certain invoices of goods.

William Stokes, nail-manufacturer, asked for a heavier duty on imported nails, wines, and fireworks.

David Sykes, J. M. Mitchell, J. Laurie, Henry Pyke, and Edward Edmonds attended as a deputation from the manufacturers of furniture, and gave evidence on furniture made in gaols, and also asked for a prohibitive duty on imported Japanese furniture.

Henry Thomas Johnson, representing Messrs. Johnson and Cousins, and J. Madderin asked for an increased duty on twine, except binder-twine.

William Augustus Williams, president, and F. C. Gerard, secretary, of the Canterbury Typographical Society, attended, and gave evidence as to placing a duty on certain imported printed matter.

J. M. Douglas, hatter, asked that hatters' furnishings should be admitted free, and made suggestions as to the mode of fixing duty on hats, &c.

J. P. Kissell, coach-painter, and president of the Liberal Association, Canterbury, gave evidence as to the duty on agricultural machinery, bicycle fittings, and other materials imported into the colony.

The Commission adjourned at 10 p.m. until to-morrow at 9 a.m.

CHRISTCHURCH, THURSDAY, 21ST MARCH, 1895.

The Commission met at 9 a.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, Mr. McGowan, Mr. Mackenzie, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

E. G. Wright, manager, Gas Company, Christchurch, asked that the duty on appliances used for gas- and electric-lighting be placed on an equal footing.

John Armstrong, hosiery- and yarn-maker, asked that certain hosiery used by small manufacturers be admitted free.

Robert Haywood, of Haywood Brothers, asked for protection against inferior class of pickles.

Horatio Nelson, of Nelson, Moate, and Co., asked for an increase of duty on tea packed in certain ways.

G. S. Jakins, grain and produce merchant, asked that certain parchment-paper, used for packing butter, should be admitted free.

O. W. Owles, importer of oilskins, asked for a reduction of duty on imported oilskins of the Yarmouth brand.

J. H. Whitcombe, of Whitcombe and Tombs, asked for a reduction of duty on oils used in making inks, and for an increase of duty on articles of imported stationery.

H. Milligan and J. A. Kemp, secretary and president of Canterbury Operative Bootmakers' Society, asked for an increase of duty on imported boot-machinery.

James McLellan, secretary, Tailoresses' Union, and Mrs. Simpson, Miss Locke, and Miss McPherson, members, attended, and asked for an increase of duty on imported wearing-apparel.

William Boag, H. J. Derrett, Charles Hill, Thomas Hayton, and Alfred Mitchell attended as a deputation from farmers, and asked for an increased duty on onions.

P. Duncan, of P. Duncan and Co., gave evidence on agricultural machinery and the duty affecting same.

James Chalmers and George W. Watson, secretary and president Amalgamated Society of Engineers, attended, and made corrections in previous evidence.

Frank N. Adams, of Adams, Curtis, and Co., asked that the component parts of bicycles, except tires and rims, be admitted free, as at present.

Edward Pigeon, of Hind, Wood, and Co., and H. James Shaw and James Miller, brushmakers, asked for an increase of duty on imported brushware.

C. H. Williams, secretary, Lyttelton Harbour Board, asked that certain chemicals used for refrigerating purposes be admitted free, and also certain kinds of ropes.

The Commission adjourned at 6.15 p.m. until Monday next, at Hokitika, at 2 p.m.

HOKITIKA, MONDAY, 25TH MARCH, 1895.

The Commission opened at the Supreme Court Office, Hokitika, at 2 p.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. Mackenzie, Mr. Stevens, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

James Mandl, brewer and manufacturer of colonial wine, gave evidence on the duty as affecting the wine trade.

John Tate, of Tate and Ward, photographers, and James Park, president of the Westland Camera Club, asked that certain articles used in the photographic business be admitted free.

Henry Leslie Mischel, coffeemaker, asked that the duty should be reduced or removed on the raw coffee-beans.

T. H. Gill, rector of the High School; Herman Augustus Baucke, president, Miners' Association; James Webster, secretary; C. J. E. Linneman; Henry Leslie Mischel, and McLean Watt Jack, were introduced as a deputation by his Worship the Mayor (Mr. James Mandl) from those interested in the mining industry, and gave evidence on the bearing of the tariff on the mining industry.

James Renton, ironmonger, asked that the woodwork of a certain patented saw should be admitted free.

On the motion of Mr. Stevens, a vote of thanks was passed to Edward Chilman, Collector of Customs, for arranging the hours for the attendance of witnesses, &c.

The Commission adjourned at 5 p.m. until to-morrow at 2 p.m., at Greymouth.

GREYMOUTH, TUESDAY, 26TH MARCH, 1895.

The Commission opened at the Harbour Board Office, Greymouth, on Tuesday, the 26th March, 1895, at 11 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. Stevens, Mr. McGowan, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A telegram from the Hon. the Premier to the Secretary was read, in which he said that Mr. Jack had informed him that the Commission had declined to recognise the mining industry as an industry of the colony.

Resolved, To reply that Mr. Jack was under a misapprehension as to the decision of the Commissioners.

Andrew Mathieson, timber merchant, attended, and asked that an endeavour be made to secure the free admission of New Zealand timber into New South Wales and South Australia, in return for the free admission of their timbers into this colony.

Hon. J. Kerr, M.L.C., and Richard Nancarrow attended, and asked that the duty of 20 per cent. on gold medals given for prizes in schools should be removed.

A vote of thanks was passed to the Chairman of the Harbour Board for placing the Harbour Board room at the disposal of the Commissioners.

On the motion of Mr. McGowan, *Resolved,* That a letter be sent to the general manager of the New Zealand Midland Railway Company, thanking him for his kindness in placing a special train at the disposal of the Commissioners for the purpose of seeing the New Zealand Midland Railway line to Jackson's.

The Commission adjourned at 4 p.m.

BRUNNERTON, WEDNESDAY, 27TH MARCH, 1895.

The Commission sat at the Brunnerton Coal-mine Office, on Wednesday, the 27th March, 1895, at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. Stevens, Mr. McGowan, and Mr. Mackenzie.

Thomas Bland, Mayor of Brunnerton, and James Bishop, manager of the Brunnerton Coal-mine, gave evidence.

The Commission then inspected the works, and afterwards proceeded to Reefton.

WESTPORT, THURSDAY, 28TH MARCH, 1895.

The Commission met at the City Council Chambers, Westport, on Thursday, the 28th March, 1895, at 7.30 p.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. McGowan, Mr. Mackenzie, and Mr. Stevens.

R. McKenzie, M.H.R., introduced a deputation comprising James Suisted, John Hughes, J. Munson, William Nahr, Jules Simon, T. Bailie, James Colvin, and six other gentlemen. Mr. McKenzie asked that, in place of taking the evidence that evening, the Commission should adjourn till to-morrow, that they might then inspect the Mokihinui Mine and Railway, and take any evidence which might be forthcoming.

After the deputation withdrew a discussion ensued, and it was resolved, on the motion of Mr. Tanner, That the original plan of proceeding to-morrow be adhered to.

The deputation were then readmitted, and the Chairman stated that the Commission regretted that, as all arrangements were made for proceeding to-morrow, it was impossible to delay the departure, but that the Commission was prepared to sit and take all evidence that night.

Mr. McKenzie stated that in that case no evidence would be tendered, and the deputation withdrew.

After some further discussion, it was resolved, on the motion of Mr. Mackenzie, That the Tariff Commission regret that the people of Westport did not avail themselves of the presence of the Commission to give evidence.

On the motion of Mr. McGowan, *Resolved,* That a vote of thanks be passed to his Worship the Mayor for granting the use of the Council Chambers to the Commission whilst at Westport, and to Mr. J. Mills, Collector of Customs, for services rendered to the Commission.

The Commission then adjourned.

NELSON, MONDAY, 1ST APRIL, 1895.

The Commission opened at the Supreme Court House, Nelson, on Monday, the 1st April, 1895, at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. Mackenzie, Mr. McGowan, and Mr. Stevens.

The minutes of the three previous meetings were read and confirmed.

William Houlker, vinegar- and shot-maker, asked for an increased duty on imported vinegar and on loaded sporting cartridges.

John Avery, of Spring Grove, president of the Nelson fruit-growers, asked that the importation of fruit from all countries affected by pests should be prohibited, and also for a higher duty on imported fruit.

John George Lethaby, umbrella-maker, asked that certain materials used in his trade should be admitted free, and for a higher duty on imported umbrellas.

J. C. Mercer, cycle importer and maker, asked that rubber tires be admitted free, and that no increased duty be imposed on finished imported machines.

The Commission, at 1 p.m., on the motion of Mr. Hutchison, adjourned until 9.30 a.m. to-morrow, to enable members to attend the funeral during the afternoon of Bishop Suter.

NELSON, TUESDAY, 2ND APRIL, 1895.

The Commission met at 9.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. McGowan, Mr. Mackenzie, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

A letter from James Sclanders was read, in which he stated certain troublesome inconsistencies in the tariff existed, and that such had already been pointed out by wholesale importers and others, but that, the principle of the tariff being one of complete protection, and the evidence obtained by the Commission being all in that direction, it was useless for a Free-trader like himself, with no axe of his own to grind, to appear before the Commission.

On the motion of Mr. McGowan, *Resolved*, That Mr. Sclanders's letter be acknowledged, with an expression of regret that he should have erroneously assumed that it is useless for a Free-trader to appear before the Commission, as the Commission are desirous of learning the views of persons of all shades of opinion, and have invited by advertisement the attendance of witnesses quite irrespective of any particular policy.

Samuel Kirkpatrick, jam-manufacturer and meat-preserver, gave evidence in respect to his business.

W. T. Glasgow, Secretary of Customs, handed in notes on the tariff from the Collectors of Customs at Dunedin, Christchurch, Wellington, and Auckland, with his own notes thereon.

Resolved, That the same be brought up later on for consideration.

The Very Rev. Father Mahoney, S.M., the Rev. Mr. Kempthorne, Dr. Cressey, Messrs. A. T. Maginnity, and Hamilton, representing a deputation from the Roman Catholic, the Church of England, and the Presbyterian Churches, attended and asked that church furniture and accessories, such as a peal of bells, organs, vestments, ornaments, &c., should be admitted duty-free.

Dr. Cressey, attended and asked that certain medical instruments and appliances, such as catheters, splints, &c., and which are at present dutiable, should be admitted free, as surgical instruments.

Alfred Harley, farmer, asked that hops and fruit should be admitted free.

The Commission, at 4.30 p.m., adjourned till 10.30 a.m. on Thursday, at Blenheim.

BLENHEIM, THURSDAY, 4TH APRIL, 1895.

The Commission opened at the Council Chambers, Blenheim, on Thursday, 4th April, 1895, at 10.30 a.m.

The minutes of the previous meeting were read and confirmed.

A letter was read from Brownlee and Co., saw-millers, Havelock, regretting that they could not attend and give evidence, but urging their former request that certain saw-milling machinery which could not be made in the colony should be admitted free.

Letter ordered to be acknowledged.

J. J. W. White, representing Messrs. G. Freeth and Co., viticulturists and wine-makers, gave evidence protesting against the proposed treaty with South Australia.

Frank Pain, decorator, asked that the lens used in magic-lanterns should be admitted free, the same as photographers' lenses.

R. W. Jenkins, banker, asked that the raw material used in a certain sheep-drench should be admitted free.

W. Tindill, farmer, Springlands, asked that the duty on peas and beans seeds imported for seed-production purposes should be removed.

R. W. Jenkins, banker, gave evidence in the same direction.

Edward Mead, manager of the Marlborough Co-operative Farmers' Association, gave evidence in the same direction as regards beans, and also asked that agricultural salt should be admitted free.

William Baker Girling, importer, gave evidence on certain anomalies affecting his trade.

On the motion of Mr. McGowan, a vote of thanks was passed to his Worship the Mayor, Blenheim, for granting the use of the Council Chambers during the stay of the Commission at Blenheim, and also a similar vote to Alfred Carter, Collector of Customs, for arranging the hours of attendance of witnesses, &c.

The Commission, at 4 p.m., adjourned till 2.30 p.m. on Friday next.

WELLINGTON, FRIDAY, 5TH APRIL, 1895.

The Commission resumed its sittings at Wellington, on Friday, the 5th April, 1895, at 2.30 p.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. McGowan, Mr. Mackenzie, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Resolved, That the Secretary do forthwith telegraph to all witnesses who have received and not yet returned their evidence to do so within three days, or the evidence would be printed without the corrections.

Resolved, That a letter be sent to the Hon. the Premier asking for an extension of time for sending in the report until the 31st May next.

The Commission adjourned at 3.30 p.m. until to-morrow at 10 a.m.

WELLINGTON, MONDAY, 8TH APRIL, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. McGowan, Mr. Mackenzie, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Mr. Lethaby, of Dunedin, returned his evidence, together with a letter from certain umbrella-makers indorsing Mr. Lethaby's evidence.

Resolved, That the letter be printed.

William Drapper, of Christchurch, returned his evidence, together with a letter giving additional details.

Resolved, That the same be printed.

William Ferguson, Secretary, Wellington Harbour Board, attended, and asked to be allowed to indorse the request of the Timaru Harbour Board as to admitting dredging machinery and ropes and hawsers free of duty.

J. E. Evans, saddler and leather-goods maker, attended and pointed out certain anomalies in the tariff affecting his trade.

E. W. Mills, iron merchant, attended and pointed out anomalies affecting the hardware trade.

F. M. Shortridge, representing W. and G. Turnbull and Co., attended and asked that the lead used in the packing of tea be admitted free of duty.

Mr. Mackenzie raised the question of certain alterations in the evidence given by Mr. Shannon.

After some discussion it was resolved, on the motion of Mr. Stevens, That Mr. Shannon be requested to attend to-morrow with reference to the alterations in connection with his evidence, and that Mr. Tanner and Mr. McGowan be appointed a sub-committee to go through same with Mr. Shannon, and either allow or disallow the corrections.

Mr. Mackenzie stated it would be necessary for him to go South to-day on urgent private business, but he would rejoin the Commission at New Plymouth.

The Commission adjourned at 5 p.m. until to-morrow at 10.30 a.m.

WELLINGTON, TUESDAY, 9TH APRIL, 1895.

The Commission met at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. McGowan, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Harry Ranish, of Wright, Ranish, and Co., asked that the duty on imported slates for billiard-tables should be removed.

Dilnot Sladden, secretary, Wellington Meat Export Company, asked that the duty on certain machinery and on certain kinds of salt should be removed.

Charles Trevethick, of the Lower Hutt, brushmaker, asked for an increase of duty on certain imported brushware.

William Hutchison, bootmaker, delegate from the Wellington Bootmakers' Union, attended to support the requests made by the union in Christchurch.

T. Corlet, currier, Johnsonville, attended, and asked for an increase of duty on certain kinds of imported leather.

Karl Locher, of Wellington, importer, attended, and made a statement as to certain difficulties existing in the way of passing invoices.

Some discussion ensued as to the stay of the Commission on the west coast of the North Island.

Hon. Major Steward moved, That arrangements be made so that the Commission should leave New Plymouth on next Tuesday week.

Mr. Hutchison moved, That Saturday be substituted for Tuesday.

Upon the amendment being put, Messrs. Hutchison and Tanner voted for it, and Messrs. Steward, Stevens, and McGowan against. So it passed in the negative.

Upon the original question being put, it passed in the affirmative.

The Commission adjourned at 4.30 p.m. until Tuesday next, at 10 a.m., at Palmerston North.

PALMERSTON NORTH, TUESDAY, 16TH APRIL, 1895.

The Commission opened at the Council Chambers, Palmerston North, on Tuesday, 16th April, 1895, at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. McGowan, Mr. Stevens, and Mr. Tanner.

The minutes of the previous meeting were read and confirmed.

David Bower Harris, of Palmerston North, asked that certain medical appliances, &c., be admitted free of duty.

William Park, stationer, asked that exercise- and copy-books for school purposes be admitted free.

Rev. Father Patterson asked that the duty should be removed from organs and church furniture.

William Lewis Luxford, manager, Palmerston Sash, Door, and Timber Company, asked for an increased duty on jarrah piles imported from Australia, and for the removal of the duty on certain imported sawmilling machinery.

Mr. Luxford, on behalf of Messrs. Richter, Nannesteid and Co., asked for an increased duty on flour.

At the suggestion of the Chairman, a hearty vote of thanks was passed to his Worship the Mayor for granting the use of the Council Chambers, and to R. N. Keeling, the Town Clerk, for arranging the hours of attendance of witnesses.

The Commission adjourned till 10 a.m. to-morrow, at Marton.

MARTON, WEDNESDAY, 17TH APRIL, 1895.

The Commission opened at the County Council Chambers, Marton, on Wednesday, 17th April, 1895, at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

No evidence was offered, and the Commission adjourned after a vote of thanks was passed to his Worship the Mayor for granting the use of the Council Chambers, and to H. Richardson, County Clerk, for services rendered.

The Commission adjourned till to-morrow at 10 a.m., at Wanganui.

WANGANUI, THURSDAY, 18TH APRIL, 1895.

The Commission opened at the Courthouse, Wanganui, on Thursday, the 18th April, 1895, at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. McGowan, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

The Secretary read a telegram received from the Hon. the Premier's secretary, stating that an extension of time was granted to the 15th May next.

Resolved to acknowledge receipt, and to say that it was thought a further extension of time was inevitable.

John Stevenson, manager New Zealand Loan and Mercantile Company, asked that the duty on woolpacks and on sheep-drench should be removed.

Hugh Williamson, chemist, attended, and pointed out anomalies in the tariff affecting chemists.

Charles W. Poynter, representing A. D. Willis, and David Blair, Principal of the Technical School, gave evidence on the question of drawing-books used in schools.

Henry Walkem, representing Mr. Martin, photographer, and W. H. T. Parkinton, photographer, asked that the duty on sensitized paper be removed.

Frederick Morris Spurdle, manager, Wanganui Sash and Door Company, asked for the removal of the duty on certain sawmilling plant.

P. D. Hogg, importer, representing certain importers, pointed out certain anomalies in the drapery trade.

Joseph Soler, wine-manufacturer, protested against the duty being removed from Australian wines.

The Commission adjourned at 4 p.m. till to-morrow at 10 a.m.

WANGANUI, FRIDAY, 19TH APRIL, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. McGowan, Mr. Tanner, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Mr. Joseph Paul, draper, attended and pointed out certain anomalies in the tariff affecting the drapery trade.

The Secretary read a telegram from Mr. Larchen, Chief Clerk, Customs Department, Wellington, stating that the Government Printer complained of the inconvenience of any revises being allowed after they had been put in "chase" form and paged.

Resolved, That all further corrections should be made in the proof-sheets, and that Mr. Larchen be informed accordingly, and that he be asked to attend and see that the necessary alterations made in the proof are inserted in the revise.

On the motion of Mr. McGowan, *Resolved,* That a hearty vote of thanks be passed to his Honour Judge Kettle for granting the use of the Courtroom, and a similar vote to A. Elliott, Collector of Customs, for arranging the hours of attendance of witnesses.

The Commission adjourned till to-morrow at 10 a.m., at New Plymouth.

NEW PLYMOUTH, SATURDAY, 20TH APRIL, 1895.

The Commission opened at the Courthouse, New Plymouth, at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

The Secretary read a telegram from Mr. Stevens, M.H.R., from Marton, stating that the Premier would consent to print the evidence as a parliamentary paper if consent asked for and reasons assigned.

On the motion of Hon. Major Steward, *Resolved,* That the Commission desires to represent to the Government that a large saving would be effected by authorising the printing of a sufficient number of copies of the evidence for a parliamentary paper, as, if only the number required for the use of the Commission is now printed, the type will be broken up and the evidence have to be set up again at great expense. It is therefore respectfully recommended that the necessary authorisation be given accordingly.

Daniel Berry, ironmonger, pointed out certain anomalies in the ironmongery trade.

W. A. Collis, photographer, pointed out certain anomalies affecting the photographic trade.

Newton King, auctioneer, asked that vegetable-parchment, used for packing butter, be admitted free.

Frederick Goodacre, bootmaker, foreman of the Egmont Boot-factory, asked for an additional duty on certain inferior kinds of imported boots, and that certain leathers should be admitted free.

Edward Vickers, of Inglewood, auctioneer, and a member of the firm of Vickers and Stevens, asked for the removal of the duty on Simpson's calf-meal.

H. Goodacre, boot-manufacturer and importer, gave evidence as to the duty affecting the boot trade.

The Commission adjourned at 3 p.m. till Monday next, at 10 a.m.

NEW PLYMOUTH, MONDAY, 22ND APRIL, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. McGowan, and Mr. Tanner.

The minutes of the previous meeting were read and confirmed.

A telegram was received and read from Mr. Stevens, M.H.R., stating that the Hon. the Premier had given the necessary authority for the requisite printing, in accordance with resolution of Commission.

As no witnesses were in attendance, the Commission adjourned.

NEW PLYMOUTH, TUESDAY, 23RD APRIL, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. McGowan, and Mr. Tanner.

The minutes of the previous meeting were read and confirmed.

Chew Chong, merchant, attended and gave evidence.

The Commission adjourned at 11 a.m. till to-morrow at 3 p.m., at Auckland.

Resolved, on the motion of Mr. McGowan, That a hearty vote of thanks be passed to — Nixon, Collector of Customs, New Plymouth, for arranging the hours of attendance of witnesses, &c.

AUCKLAND, WEDNESDAY, 24TH APRIL, 1895.

The Commission met at the Harbour Board Offices, on Wednesday, the 24th April, 1895, at 3 p.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Stevens, Mr. Tanner, Mr. McGowan, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

Some correspondence was perused and ordered to be acknowledged.

A number of applications to give evidence were received, and a time fixed for taking same.

The Commission adjourned at 5 p.m. till to-morrow at 10 a.m.

AUCKLAND, THURSDAY, 25TH APRIL, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Mackenzie, Mr. McGowan, Mr. Stevens, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

Some further applications to give evidence were received, and a time appointed for taking same.

Frederick Crosby, of the firm of Hansen and Crosby, writers and gilders, gave evidence on the brush-making business, and asked that an increased duty be put on certain brushware.

James Wilkinson, George Perrett, and George Perrett, jun., gave evidence, and asked that increased duty be put on tips, heel- and toe-plates.

James Chambers, director, and Samuel Parker, manager, Galvanised-iron Works, Auckland, gave evidence, and asked for an increased duty on corrugated iron and plain galvanised iron.

M. Kirkbride, president of the Auckland Agricultural and Pastoral Association, and Robert Hall, secretary, were introduced by Mr. Massey, M.H.R., as a deputation from the association, and gave evidence pointing out certain anomalies in the tariff affecting farmers and agriculturalists.

Thomas Bell, of the Union Oil and Candle Company, Auckland, asked for an increased duty on imported soap, and for a duty on linseed-oil and linseed.

Edward Hogan gave evidence on corn-growing, and asked for a higher duty on imported American and Italian brooms.

Henry Lipscombe, fruit importer, gave evidence, and asked for a reduction of duty on imported fruit.

Alexander Bell Donald, of the firm of Donald and Edenborough, attended, and gave evidence on the fruit imports from the islands.

Arthur H. Taylor, wine-merchant, attended in reference to an application of his concerning Australian wines, and asked leave to withdraw his application.

After discussion, it was resolved, on the motion of Mr. McGowan, That Mr. Taylor be allowed to withdraw his letter; and the letter was returned to Mr. Taylor.

Edward Falkner, umbrella-maker, asked for additions to the free-list of materials for umbrella-making, but that no additional duty be placed on imported umbrellas.

The Commission adjourned at 5 p.m. till to-morrow at 10 a.m.

AUCKLAND, FRIDAY, 26TH APRIL, 1895.

The Commission met at 10 a.m.

Present: The Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. McGowan, Mr. Hutchison, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

John Earle, tea-importer, suggested that, instead of the present duty of so much per pound on tea, an *ad valorem* duty be fixed, and that tea-vendors be licensed.

Alfred Kidd, T. McLeod, and J. G. Carr attended as a deputation from the friendly societies, and asked for an amendment of the Friendly Societies Act, subsection (*b*), clause 13, so as to relieve friendly societies from the payment of stamp duty on cheques. They also complained of having to pay duty on medals used by the friendly societies.

Edmund Dutton, of Dutton Brothers, cork-manufacturers, asked that the present duty of 15 per cent. should be raised to 20 or 25 per cent., and that bungs should be brought under the same headings.

John Whitney, A. C. Whitney, manager, and J. M. Poole, secretary, of the Colonial Ammunition Company (Limited), gave evidence on the question of ammunition, and asked for an increased duty on imported ammunition.

James Thomas Hendry and Robert Plumber, manufacturers of washing-powder, asked for an increase of 10 per cent. on imported washing-powder.

Austin Walsh, of Austin Walsh and Co., tobacco, cigar, and cigarette makers, asked that the duty on imported raw tobacco-leaf be reduced from 2s. to 1s. 6d., or, as an alternative, that the excise duty on tobacco manufactured in the colony be reduced by 6d., and that the arrangement should extend for a period of five years.

Moses Exler, of Moses Exler and Son, Avondale, manufacturers of jam-jars, asked that the duty on earthenware and glass jars be raised from 20 and 15 per cent. to 25 per cent. all round.

Rees George, agent for W. A. Ryan and Co. for Australia for the Union Gas-engine Company of San Francisco, asked that 6d. per gallon duty on gasoline oil be removed.

Alexander Bell Donald gave further evidence on the island fruit trade, and spoke against placing any duty on island tropical fruit.

John Stubbs, salt-manufacturer, asked for the removal of the 10s. per ton duty on agricultural imported salt from Adelaide.

Hon. Mr. Jennings and Joseph Graham attended as a deputation from the Auckland Typographical Association, and gave evidence as affecting the printing trade.

M. A. Clark, of M. Clark and Sons, J. F. Logan, of Mackie, Stein, Logan and Co., H. C. Tewsley, and Thomas Finlayson (Sargood, Son, and Ewen) gave evidence as affecting the soft-goods trade, and agreeing with the recommendations of a similar deputation in Wellington.

John Elder, agricultural-implement maker, asked that a duty of 25 per cent. be placed on agricultural machinery.

John Hall, bolt- and nut-manufacturer, asked that the duty of 20 per cent. *ad valorem* be changed to 5s. per hundredweight on bolts and nuts of all kinds.

Thomas J. Harbutt, managing director of the Kapai Corn-broom Company (Limited), gave evidence as to the duty affecting the broom trade.

Louisa Davey, dressmaker, &c., asked for an increase of duty on imported ladies' underclothing and ready-made garments for ladies and children.

James Dunning, coal-merchant and shipowner, asked that a duty be imposed on Newcastle coal.

J. A. Rhodes, sawmiller, of Rhodes and Pollard, asked for a duty on veneers of 1d. per square foot superficial.

Samuel Martin Green, of Parker, Green, and Co.; Thomas Hodgson, manager of the Northern Boot and Shoe Manufacturers (Limited); Thomas Jones, of Thomas Jones and Son; and William H. Hosking, of Hosking and Co., attended as a deputation from the boot-manufacturers, the Auckland Bootmakers' Union, and a combined meeting of master and operative bootmakers, and gave evidence on the question of duty affecting the boot trade.

Robert Salmon, master workman; H. W. Dixon, past master; A. Marshall; and F. M. King, secretary, attended as a deputation from the Knights of Labour, and offered suggestions for the improvement of the tariff.

Thomas Prosser, George Alexander Coles, George Foster, and George King attended as a deputation from the boot-manufacturers, and asked that boot machinery and boot fittings be admitted free, and also gave evidence generally on the boot trade.

Charles George Davis, of Onehunga, asked for an increase of duty on imported glue and size.

William Parkinson, marble-mason, attended as a delegate from the Auckland marble-masons, and asked that the duty be taken off imported sawn marble.

John Creamer, delegate from tobacco-workers, gave evidence on tobacco, and asked that the concession of 6d. per pound on locally-manufactured tobacco be renewed.

The Commission adjourned at 10.30 p.m. until 9 a.m. to-morrow.

AUCKLAND, SATURDAY, 27TH APRIL, 1895.

The Commission sat at 9 a.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Hutchison, Mr. Mackenzie, Mr. McGowan, and Mr. Tanner.

The minutes of the previous meeting were read and confirmed.

Arthur M. Myers, manager for Ehrenfried Brothers, brewers and wine and spirit merchants, gave evidence on barley, malt, and gelatinised rice-malt, and as to the number of pounds included

in the bushel by Customs, and made recommendations; and also gave evidence on the question of a duty on imported horses.

Michael Cook, of M. Cook and Son, glassworkers, Freeman's Bay, asked for an increased duty to 25 per cent. on imported jam-jars.

G. Gregory and J. R. Hanna, attending as a deputation from Auckland photographers, agreed with the representations of photographers in other parts of the colony dealing with mounts sensitized paper, &c.

J. J. Craig, carrier and general agent, gave evidence, asking that cement be freed from duty, and against the imposition of any duty on imported coal.

V. E. Rice, H. C. Tewsley, and E. H. Queree attended as a deputation from the congregation of the Church of England, and asked that metal furniture and appliances for church purposes be admitted duty-free.

James Park, manager, Onehunga Woollen-mills, asked for an increased duty on imported shoddy goods, and also that certain articles used by woollen-mills be admitted free of duty.

H. P. Taylor, representing John Burns and Co., gave evidence on discrepancies in the tariff, and handed in a written list of same.

Robert Dorlow, president of the Auckland Bootmakers' Union; H. Dymock, secretary; W. Murray and W. Long, members, gave evidence in support of the request of the manufacturers given yesterday against any further increase in the duty on boots.

William Thompson, of the Auckland Fruit-growers' Union; Rev. Mr. McCallum, John Tonar, George A. Green, and Henry Flewellyn, of the Birkenhead and Northcote Fruit-growers' Association; Edwin Porter and William Edward Lippiat, representing the Otahuhu fruit-growers, attended and gave evidence on the question of an increased duty on fruit, and spoke in favour of such duty.

Robert Fenwick, manager for T. and S. Morrin and Co., gave evidence on the question of cement.

Henry Hartnell, principal salesman for L. and D. Nathan and Co., advocated the removal of the duty of 25 per cent. on sheep-drenches.

James Wiseman and James W. Wiseman, of Wiseman and Sons, and W. S. Jones, saddlers, pointed out certain anomalies in the tariff affecting materials used in their trade.

William Service, cardboard-box maker, asked for an extra duty of 5 per cent. on cardboard cut and shaped.

Robert Rose, managing director, Waihi Gold-mining Company, asked that low-grade oil imported for fuel purposes only be admitted free, or, as an alternative, a remission of duty on certificate of use.

W. Crosher, manufacturing electrician, asked that terminals for electrical purposes should be admitted free.

The Commission adjourned at 5 p.m. till Monday at 10 a.m.

AUCKLAND, MONDAY, 29TH APRIL, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

William John W. Philson, manager of the Colonial Sugar-refining Company (Limited), gave evidence on the question of sugar, and asked for an increased duty on imported sugar.

Graves Aickin, president of Employers' Association, and F. G. Ewington, secretary, complained of the mode of calculating duty on goods imported from America, particularly chairs.

J. M. Mennie, jam-manufacturer, objected to any additional duty on glass or earthenware jars, and to any increased duty on fruit.

C. J. Shaw (Kempthorne, Prosser, and Co.), T. H. Ellis (Sharland and Co.), and Graves Aickin, of the Auckland Chamber of Commerce, submitted a printed statement prepared by the Chamber of Commerce as to the duty on drugs and chemicals, and made suggestions thereon, and also asked for an increase of duty on imported proprietary medicines.

Frederick Wilmett, organ-builder, asked that certain materials used in the manufacture of organs and musical instruments be admitted free.

Reuben Martin, farmer, objected to the system of Customs duties altogether, and suggested instead direct taxation.

On the motion of Mr. Tanner, a hearty vote of thanks was passed to the Chairman of the Harbour Board for granting the use of the offices to the Commission, and a similar vote to Mr. A. Rose, Collector of Customs, for fixing the hours of attendance of witnesses, &c.

The Commission adjourned at 1 p.m. till to-morrow at 7 p.m., at the Thames.

THAMES, TUESDAY, 30TH APRIL, 1895.

The Commission met at the Borough Council Chambers, Thames, at 7 p.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

H. C. Harford, sauce-manufacturer; R. N. Smith, farmer; James B. Steedman, farmer and fruit-grower; Francis McCormick, farmer and fruit-grower; James Paterson, manufacturer of paints; Frederick Dean, manufacturer of paints; Arthur Iles, photographer, gave evidence.

On the motion of Mr. McGowan, *Resolved*, That a hearty vote of thanks be passed to his Worship the Mayor for granting the use of the Council Chambers to the Commission during its stay at the Thames.

The Commission adjourned, at 10 p.m., till Thursday next, at 10 a.m., at Hamilton.

HAMILTON, THURSDAY, 2ND MAY, 1895.

The Commission met at the Council Chambers, Hamilton, on Thursday, 2nd May, 1895, at 10 a.m.

The minutes of the previous meeting were read and confirmed.

Charles Miller Best, varnish-manufacturer, Avondale, Auckland, gave evidence.

James Burton, manager of the Estates Company, Hamilton; Joseph Gane, president of the Farmers' Club; Robert Fisher, vice-president; Edward Allen, William Tucker, and Alfred Gain, members; James Hume, president, Waikato Agricultural Association; John Fisher, vice-president; and Isaac Coates, member, attended as a deputation, and gave evidence.

P. Le Quesne, general merchant and wine-manufacturer, gave evidence.

A deputation from the Waikato Fruit-growers' Association, consisting of William Johns, president; John Sharp and T. Potts, vice-presidents; Andrew Karl, George Mann, John Ohyre, George Edgecombe, and Walter Daw, members, were introduced by Mr. Lang, M.H.R., and gave evidence.

On the motion of Mr. Tanner, a hearty vote of thanks was passed to his Worship the Mayor for granting the use of the Council Chambers during the stay of the Commission at Hamilton.

The Commission adjourned till Tuesday next, at 10.30 a.m., at Napier.

NAPIER, TUESDAY, 7TH MAY, 1895.

The Commission met at the Council Chambers at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. Mackenzie, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

John McKenzie, builder, Hastings, gave evidence on net-floats.

F. Wilson, boot-manufacturer and importer, and J. O'Shea, secretary of the Hawke's Bay Boot-manufacturers' Union, attended and gave evidence in regard to the duty on boots, &c.

A deputation from the members of the Harbour Board, consisting of Mr. Swan, Mr. Williams, Mr. Vautier, Mr. Carr (Engineer), Mr. Saunders (Secretary), Captain Davidson, Mr. Neal, and Mr. W. Kinross White, was introduced by Mr. S. Carnell, M.H.R., and evidence was given concerning the duty on cement used in connection with harbour works.

Rev. Dean Hovell, Church of England; J. Wilson Craig, representing Rev. William Paterson, Presbyterian Church; T. Morrison, representing Cathedral Vestry, Church of England; and J. B. Fielder, churchwarden, Napier Cathedral, attended as a deputation from the different denominations (the Rev. Dean stating he had been requested by Father Groggan, Roman Catholic Church, to represent him, as he was unable to attend), and asked that church furniture and fittings be exempted from duty.

On the motion of Mr. Stevens, *Resolved*, That a hearty vote of thanks be passed to his Worship the Mayor for granting the use of the Council Chambers to the Commission during its stay at Napier.

The Commission adjourned at 4 p.m. till Thursday next at 10.30 a.m., at Wellington.

WELLINGTON, THURSDAY, 9TH MAY, 1895.

The Commission met at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. Stevens, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

Some correspondence was read and ordered to be acknowledged.

After some discussion as to the lines of framing the report, Mr. Mackenzie moved, That the Hon. the Premier be asked to inform the Commission whether it is expected that any readjustment of the tariff shall not affect the total amount of Customs revenue, or whether the Commission is to report independently of such consideration.

The motion, not being seconded, lapsed.

On the motion of Mr. Tanner, *Resolved*, That the Commission respectfully inform the Government that the evidence collected is so extensive that they are satisfied they cannot give due consideration to it within the short time now at their disposal for compiling their report, and they therefore ask an extension of the Commission to the last day of the current month.

After some further formal business was transacted the Commission adjourned until to-morrow at 10 a.m.

WELLINGTON, FRIDAY, 10TH MAY, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. Mackenzie, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

A letter was received and read from William Young, jun., of the Pukerua Plantation, Rangiriri, Auckland, covering a letter addressed to the Chairman on the question of a duty on Mimosa, or wattle-bark, and, as the writer had not had an opportunity of attending to give evidence verbally, it was resolved that the letter be received as evidence, and be printed.

E. W. Davidson, seed expert, Masterton, attended and gave evidence.

After the witness withdrew, Mr. Tanner moved, and Mr. Stevens seconded *pro formâ*, That all the evidence relative to seeds be struck out, as not having any relation to the scope of the Commissioners' inquiry.

Upon the question being put, a division was called for, and the names were taken down as follows:—

Aye.—Mr. Tanner.

Noes.—Mr. Mackenzie, Mr. Stevens, Mr. Hutchison, Hon. Major Steward.

So it passed in the negative.

The Commission then proceeded to discuss the lines upon which the report should be framed.

Mr. Mackenzie moved, That there be two classes of drapery: Free, and at 20 per cent.

Negatived.

Hon. Major Steward proposed, That the Commission proceed to draw up a tariff for all drapery, textiles, clothing, millinery, laces, feathers, flowers, &c., experimentally based on the lines of a free list, and 10 per cent., 20 per cent., and 30 per cent. classes, reserving the consideration of any special items upon which for revenue or other reasons it may be thought desirable to impose a higher rate than 30 per cent.

Mr. Mackenzie moved to strike out "30 per cent."

Amendment negatived.

The motion was then put and carried.

The Commission then proceeded to consider, with a view to forming a basis for the report, the items under the head* of "clothing and textile goods," it being resolved that the whole of the items should be open to further revision and consideration if any member of the Commission should deem it necessary.

The Commission adjourned at 4 p.m. until to-morrow at 10 a.m.

* This and other similar references refer to a tabulated list of the items in the tariff, prepared by the Customs Department under various headings, and submitted to the Commission.

WELLINGTON, SATURDAY, 11TH MAY, 1895.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Hutchison, Mr. Mackenzie, and Mr. Tanner.

The minutes of the previous meeting were read and confirmed.

The Commission resumed the consideration of items under the heading of "clothing and textile goods," and at 1 p.m. adjourned until Monday next, at 10 a.m.

WELLINGTON, MONDAY, 13TH MAY, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. Stevens, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A letter addressed to the Secretary from the Acting Secretary to the Cabinet, stating that a further extension of time to the end of May was granted, was read.

The Commission resumed the consideration of items under the headings of "clothing and textile goods," and also considered the items "boots and shoes," "leather and manufacturers of leather," "furniture," and "household furnishings," and at 5 p.m. adjourned until 10 a.m. to-morrow.

WELLINGTON, TUESDAY, 14TH MAY, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. Mackenzie, Mr. Stevens, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

The Commission resumed the consideration of further items under the headings of "paper manufactures and stationery," and "foods and articles for human consumption."

A letter was received from the manager, Colonial Sugar-refining Company (Limited), Auckland, asking to be allowed to make some corrections in his evidence.

Resolved, That his letter be printed with his evidence.

A letter from W. S. Kertes, manager of the Auckland Cycle Company, offering suggestions on the duty affecting bicycle parts, was read.

Resolved, That, as the writer was absent from Auckland during the visit of the Commission, the letter be printed with the evidence.

Two letters were received and read from Ross and Ansenne, on the question of "ships' supplies" and "oils."

Resolved, That, as the writers were absent from Auckland during the visit of the Commission, the letters be printed.

The Commission adjourned at 5.15 p.m. till 10 a.m. to-morrow.

WELLINGTON, WEDNESDAY, 15TH MAY, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Stevens, Mr. McGowan, Mr. Mackenzie, and Mr. Tanner.

The minutes of the previous meeting were read and confirmed.

The Commission took into consideration items 241 "salt," and 242 "sardines."

A letter was received from Mr. Bell, of the Union Oil, Soap, and Candle Company, Auckland, returning his evidence, and stating that he had struck out certain questions and answers as irrelevant to the question of the tariff.

Resolved, That the omitted matter be included in the evidence.

The Commission adjourned at 5 p.m. until 10 a.m. to-morrow.

WELLINGTON, THURSDAY, 16TH MAY, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Mackenzie, Mr. McGowan, Mr. Stevens, and Mr. Hutchison.

The minutes of the previous meeting were read and confirmed.

A letter was read from Harold Pattie, of Sydney, regarding the duty on sheep remedies. The letter was ordered to stand over.

A letter was forwarded through the Premier from E. N. Ogden, Dunedin, secretary, Association of Felt Hatters, regarding the duty on hats. The letter was ordered to be considered later on, and reply to be sent accordingly.

The Commission took into consideration item "chlorate of lime," under the heading of "drugs, &c."

The Commission adjourned at 5 p.m. until 10 a.m. to-morrow.

WELLINGTON, FRIDAY, 17TH MAY, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. Stevens, Mr. McGowan, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A letter was read from John Avery, Spring Grove, Nelson, asking if there were any objections to his disclosing the evidence given by him before the Commission; and also a letter from A. H. Bridge, Dunedin, asking to be supplied with a copy of the evidence given by him before the Commission.

The Secretary was ordered to reply that no evidence could be made public, or copies furnished, until the report was laid on the table of the House.

The Commission took into consideration item 169, "machinery n.o.e."

The Commission adjourned at 5 p.m. till 10 a.m. to-morrow.

WELLINGTON, SATURDAY, 18TH MAY, 1895.

The Commission met at 10 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Hutchison, Mr. Stevens, Mr. Mackenzie, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

The Commission took into consideration the items under the heading of "timber, and articles made from timber," "oils, paints, &c.," and "cordage"; and at 1.15 p.m. adjourned till Monday next, at 2.30 p.m.

WELLINGTON, MONDAY, 20TH MAY, 1895.

The Commission met at 2.30 p.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. Mackenzie, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

Several letters offering suggestions on the tariff were received, and ordered to be acknowledged.

The Commission resumed the consideration of items under the heading of "cordage," "agricultural products," and "miscellaneous," and also on a number of reserved items, and at 10 p.m. adjourned till 10.30 a.m. to-morrow.

WELLINGTON, TUESDAY, 21ST MAY, 1895.

The Commission met at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Mackenzie, Mr. Tanner, and Mr. Stevens.

The minutes of the previous meeting were read and confirmed.

The Commission concluded the consideration of "reserved items," and afterwards considered the various items suggested by witnesses for duty or remission of duty, and also some suggestions from Mr. Glasgow; and at 5.30 p.m. adjourned until to-morrow at 10.30 a.m.

WELLINGTON, WEDNESDAY, 22ND MAY, 1895.

The Commission met at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Hutchison, Mr. Tanner, Mr. Stevens, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A letter from Graves Aickin, representing Sharland and Co. (Limited) and the retail drug trade, Auckland, giving his views for the simplification of the tariff, was read and ordered to be acknowledged.

The Commission concluded the consideration of the items in the tariff, and appointed the Chairman and Messrs. Tanner, Glasgow (Secretary of Customs), and Kane (Secretary to Commission) to have the items arranged in order and printed for final consideration.

Messrs. Stevens, Mackenzie, and McGowan were appointed to consider the papers referred to the Commission by Cabinet on the cyanide process.

The Commission adjourned at 10.30 p.m. until 2 p.m. to-morrow.

WELLINGTON, FRIDAY, 24TH MAY, 1895.

The Commission met at 2 p.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Mackenzie, Mr. McGowan, Mr. Stevens, and Mr. Glasgow.

The minutes of the previous meeting were read and confirmed.

Hon. Major Steward brought up a printed revise of the classified items of the tariff.

Mr. McGowan stated that Messrs. Stevens, Mackenzie, and himself had gone through the papers on the cyanide process, and, from inquiries they made, they ascertained the Government were now taking steps in the matter, and it was therefore not necessary for the Commissioners to do anything further.

On the motion of the Hon. Major Steward, *Resolved*, That the Secretary have the minutes printed forthwith.

On the motion of the Hon. Major Steward, *Resolved*, That the Chairman and Mr. Tanner be appointed a sub-committee to rearrange the items of the tariff under appropriate headings; also, that the Chairman and Mr. Tanner be requested to prepare the draft report.

The Commission then considered the reserved items in the tariff; and it was resolved that a statement of the items in the proposed tariff be printed.

The Commission then adjourned, at 7 p.m., till Tuesday at 10.30 a.m., it being understood that the draft report be prepared in the meantime.

WELLINGTON, TUESDAY, 28TH MAY, 1895.

The Commission met at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. McGowan, Mr. Stevens, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

Some correspondence was received and ordered to be acknowledged.

The Chairman brought up a revise of the amended Customs tariff, and the Commission went through same for final revise.

Resolved, That the same be printed as finally revised.

The Chairman brought up a written draft report.

Some discussion ensued as to whether divisions should be now taken on the various items, or whether, after perusal, the report should be printed for approval, and that then any divisions be recorded.

On the motion of Mr. Stevens, *Resolved*, That a revise of the draft report be printed, and in the meantime no record of the divisions be placed on the minutes, but that when the printed revise is under consideration the divisions and proceedings be then recorded.

Mr. Mackenzie dissented.

After some further discussion on the draft report, it was resolved, That the same be printed for perusal and approval.

The Commission adjourned at 5 p.m. until 10.30 a.m. to-morrow.

WELLINGTON, WEDNESDAY, 29TH MAY, 1895.

The Commission met at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Tanner, Mr. Stevens, Mr. Mackenzie, and Mr. McGowan.

The minutes of the previous meeting were read and confirmed.

The following draft report was submitted by the Chairman:—

To His Excellency the Right Honourable DAVID, Earl of Glasgow; Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George: Governor and Commander-in-Chief in and over Her Majesty's Colony of New Zealand, and Vice-Admiral of the same.

MAY IT PLEASE YOUR EXCELLENCY,—

We, the members of the Commission appointed by your Excellency on the 26th of January last "to inquire into the incidence and working of the present tariff of Customs and excise duties and exemptions, in relation to the producing and manufacturing industries, and the trade and commerce of the colony; and to report upon what changes are necessary or desirable for the further encouragement of production, manufacture, and trade, as far as they are affected by the law now in force," have the honour to report as follows:—

The Commission assembled in Wellington on the 4th day of February, and, after examining witnesses in that city, proceeded to the South Island, returning thence on 5th

April, and sitting again in Wellington until the 13th of the same month. Thence the Commissioners proceeded to visit other towns in the North Island, and arrived finally in Wellington on the 8th day of May instant. They have visited in the order named the following centres of population: Wellington, Christchurch, Dunedin, Invercargill, Mataura, Oamaru, Waimate, Timaru, Ashburton, Hokitika, Greymouth, Brunnerton, Westport, Nelson, Blenheim, Palmerston North, Marton, Wanganui, New Plymouth, Auckland, Thames, Hamilton West, and Napier.

The Commission have travelled over three thousand miles, and in all 475 witnesses have appeared before them, whose evidence will be found appended to this report.

In addressing themselves to the important duty confided to them by your Excellency, the Commissioners have approached their task neither from the point of view of Protectionists nor from that of Free-traders, but, strictly in accordance with your Excellency's Commission, have endeavoured to ascertain wherein the existing tariff unduly presses upon the taxpaying public, and wherein it is possible to relieve that pressure by reducing the rates on certain articles, and also where inconsistencies in the tariff might be removed, and have sought to render these reductions financially possible by imposing countervailing increases on articles which may properly be classed as luxuries. During their investigations it has been abundantly proved that inconsistencies do exist in almost every department of the tariff to which the attention of the Commissioners has been directed. As will be seen by the printed evidence, from almost every part of the colony, and from all branches of trade, complaints have been received of difficulties of interpretation, and of alleged arbitrary classification of goods by Customhouse officers. By this it is not intended to convey that the officers have in any way exceeded their duty, the circumstances complained of having arisen from the frequent ambiguity of the tariff, and from the practical impossibility in many cases of distinguishing as between various classes of goods, and as to the rate under which such goods should be placed. The local Customhouse officers, in most cases, have given the benefit of any doubt in favour of the revenue by placing the goods in regard to which such doubt existed under the highest duty to which they could be subjected; but it would be more satisfactory, not only to the importers, but also to the officers themselves, that the onus of deciding points of this kind should be removed from the officers by the tariff being made clear and explicit. With this view, your Commissioners, in submitting an amended tariff, have endeavoured to avoid difference in rates as between goods which are either nearly identical or so closely approach one another as to be difficult of distinguishment. They have also endeavoured to make the rates of duty applicable to any one class of goods as few as possible; and they think that the tariff as now submitted will largely attain this object.

In travelling through the country there have been submitted to your Commissioners, almost necessarily, questions either altogether or in part outside the scope of your Excellency's Commission, and, not being authorised to make any recommendations on the matters referred to, they simply submit the evidence thereupon for the consideration of your Excellency's Advisers. The matters referred to will be found on pages of the printed evidence. They are as follows:—

1. The question of assistance to the mining industry in the only district (Auckland) in which gold duty is payable, as a countervail to the taxation through the Customs, which is alleged to press with especial severity upon the mining population.

2. The question of extending the trade of New Zealand amongst the islands of the Pacific, in connection with which subject evidence, supplemented by a map of proposed new steam routes, was given by Mr. Coleman Phillips, and will be found in the Appendix to this report.

3. The question of the valuation for taxation purposes of riparian rights.

4. The question of imposing a small *ad valorem* duty of, say, not exceeding 2½ per cent. upon all goods otherwise free under the tariff, on the ground that all imports should pay a share of the cost of the Customs establishment.

5. The question of the advisableness of assisting the development of the mining industry by means of bonuses for prospecting.

6. The question of the desirability of absolutely excluding importations of Japanese furniture, on the ground that many of those articles are infested with a worm, which would be destructive to furniture manufactured of wood if it became established in this colony.

7. And the question of the prohibition of the importation of fruit-trees, on account of the cognate danger of the introduction of insect-pests and diseases new to this colony.

Your Commissioners, however, venture to express the opinion that some of these questions—the last-mentioned especially—are worthy of consideration, and it seems to them that it might be possible to deal with the matter of imported fruit-trees by legislation in a similar manner to the provision made by law in regard to imported live-stock—viz., by requiring in the case of fruit-trees, as in the case of cattle, a period of quarantine.

The Commissioners have also had brought under their notice a grievance on the part of photographers, to remedy which legislation would be necessary—viz., in reference to the question of copyright as relating to photographs (*vide* the evidence of Mr. Iles at the Thames). It would appear from the evidence of this witness that a copyright in regard to photographs costs 3s. in New Zealand, and extends to the colony only, whereas a similar copyright obtained in the United Kingdom costs only 1s. 6d., and extends to the whole Empire. This is a matter which would seem to require adjustment.

Before proceeding to remark upon the amended tariff as prepared by your Commissioners, and now respectfully submitted to your Excellency, they desire to refer to certain other matters upon which they have felt it their duty to make recommendations.

The first of these relates to the New Zealand wine industry. The evidence taken shows conclusively that there are considerable areas of land in the colony well adapted to viticulture. Indeed, your Commissioners have been surprised to find how greatly the cultivation of the vine and the manufacture of wines from grapes and from other fruits has progressed within the last few years. There are in the various provincial districts, from Auckland to Otago, several wine-makers who hold at the present moment stocks amounting to from 4,000 to 8,000 gallons each. Some of these wines, especially those which have had the advantage of three or four years' cellarage, are of a very palatable nature, and compare not unfavourably with the cheaper classes of Australian wines. It has been represented to your Commissioners on many occasions that the extension of this industry will be prevented if the present duty be removed from the imported wines, and it has been further alleged that if the *status quo* be maintained considerable areas in addition to those now in vineyard or under fruit-cultivation will be planted, and they have been urged to recommend that effect be not given to the proposal for reciprocal free-trade between South Australia and New Zealand so far as it relates to the wine industry. Your Commissioners, however, conceive this to be a political question, upon which they are not called upon in the present report to express an opinion, but they think it right to inform your Excellency of the representations made to them. In this connection they draw attention to the fact that some of the wine-manufacturers have stated that they would not object to be brought into competition with free Australian wine provided they were permitted to sell wines of their own manufacture by the bottle; and we venture to suggest that this representation should be taken into consideration by your Excellency's Advisers.

Another subject nearly related to the foregoing has also been brought under the Commissioners' notice. It has been suggested that the duty leviable upon articles known as hop-beer and herbal beer, and the like, containing a proportion of hops, and which it has been represented to the Commission have an alcoholic strength of less than 2 per cent., is unreasonable, seeing that the makers of such articles are called upon to pay the same amount per gallon as is charged upon beer containing 10 or 12 per cent. of alcohol, more especially as the value of the former is about 10d. per gallon, as against double that amount per gallon for colonial beer. Your Commissioners consider that a good case has been made out in this respect, and they recommend that the Beer Duty Act should be amended accordingly, so as to provide that no duty shall be chargeable upon any of these beers of less alcoholic strength than 4 per cent. of proof spirit.

Very interesting evidence on the subject of the tobacco industry has been given before the Commission, and will, your Commissioners think, repay perusal. They consider that it has been satisfactorily proved that several parts of New Zealand are admirably well adapted for the growth of tobacco, and they have been asked to recommend an alteration of the law which would permit of the establishment of a manufacturing industry on a large scale. The proposals under this head will be found in the evidence of Mr. Cameron and Mr. Philips, at pages . In view of the depressed condition of agriculture in New Zealand, in common with the rest of the world, your Commissioners would have been glad, had they been able to see their way so to do, to recommend fiscal changes which might have had the effect of offering to farmers another product the cultivation of which would probably yield payable results, but, in view of the large revenue consideration involved, and of the experience of adjacent colonies, which have, either by reduced excise duty

or by bonus, fostered the tobacco industry, and which have suffered great loss of revenue thereby (while the cultivation of tobacco seems to have passed rather into Chinese than into European hands), your Commissioners are unable to make any recommendations in this direction. They desire, however, to bring under your Excellency's notice the fact that for several years past the tobacconists have petitioned the House of Representatives for the imposition of a license-fee, and your Commissioners are of opinion that, provided the fee be fixed at a rate not so high as to interfere with the livelihood of small tradespeople, the request should be acceded to. The effect would be not only to add to the revenue a not inconsiderable sum, but it would be the means of checking the sale of cigarettes of inferior quality by a certain class of storekeeepers, to the injury of the youth of the colony. Your Commissioners therefore respectfully recommend that legislation be introduced to provide that all dealers in tobacco must take out a license, the annual fee for which, it is suggested, should be £2.

In the course of their inquiry it has been shown to the Commission, on the evidence of Customhouse officers, that the practice which has hitherto prevailed of permitting the manufacture of spirits into tinctures in bond has resulted in considerable loss tc the revenue, and there is reason for supposing that in some instances this privilege has been abused. In this connection they would direct attention to the evidence of Mr. Chamberlain, Collector of Customs at Dunedin, and they recommend that the permission referred to be withdrawn, and that the Customs and Excise Duties Act of 1888 be amended accordingly.

It has been proved to the satisfaction of your Commissioners that there is room for a large extension of the timber industry of the colony, provided that satisfactory fiscal arrangements in relation to this trade can be made with the other colonies. They believe there would speedily be an enormous increase in the export of timber, particularly from Westland, and more especially of white- and red-pine, if the free admission of New Zealand timber into Australian ports could be secured. Your Commissioners think that this is a matter of national importance, which deserves the earnest attention of the Government.

Upon several occasions at the different places visited by the Commissioners there was brought under their notice the matter of certain difficulties which have arisen as between importers and the Customs Department in regard to the duty chargeable upon invoices of goods. Importers have, on various occasions, claimed to have deducted from the total amount of their invoices the cost of inland charges from the place at which the goods were manufactured to the port of shipment. Your Commissioners think that, on the basis of the existing law, the Customs Department has acted strictly correctly in refusing to allow the deduction of these inland charges, and, after a careful consideration of the whole question, they are of opinion that the fairest thing to all parties would be to enact that the value of goods for duty purposes shall be the value at the port of shipment, and they respectfully recommend accordingly.

Another matter which has been brought prominently under the notice of the Commission in all parts of the colony by numerous trades is that of the competition of imported prison-made goods with goods manufactured in the colony. It is beyond question that in the case of brushware, brooms, mats, furniture, and, in fact, a host of articles, considerable importations have been made, either direct from Germany, Austria, Italy, or America, or from those countries *viâ* London. Your Commissioners are unable to suggest a remedy for this state of things other than by concerted action by the colonies and the Mother-country, and they venture to recommend the whole question to the consideration of your Excellency's Advisers.

Your Commissioners have also been asked to recommend an import duty upon coal; but, in view of the fact that coal is a prime necessity in many industries, and of the further fact that an import duty upon this article would, in the opinion of the Commission, tend to increase the rates of freight on agricultural produce exported from this colony, on account of the stoppage of the return-coal freight, and of the further consideration that the trade is now mainly controlled by one carrying-company, they are unable to agree to the suggestion.

They have also been asked to recommend an increased duty on cement; but they think that to raise the duty would tend to create a monopoly which would be prejudicial to the interests of consumers. They are of opinion that this view of the case will be justified by a perusal of the evidence on pages . On the other hand, however, your Commissioners are of opinion that Harbour Boards and County Councils should be placed in the most favourable position to carry out the important public works devolving upon them by allowing cement imported for their purposes to be admitted free of duty.

Proceeding now to the question of the tariff itself: as already stated, yoar Commissioners have endeavoured to reduce the number of rates of duty in each class of goods, and they venture to hope that they have succeeded in doing a good deal in this direction. Secondly, they have adopted a suggestion which emanated from the Customs Department, and for which they are indebted to Mr. Glasgow (whose assistance to the Commission throughout the inquiry has been of a most valuable character), and in accordance therewith have classified the tariff under headings which group the items together in relation to the uses to which they are put, as follows:—

1. Foods and articles for human consumption.
2. Tobacco, &c.
3. Alcoholic beverages and materials for making same.
4. Non-alcoholic beverages and materials for making same.
5. Drugs, medicines, druggists' sundries, chemicals, &c.
6. Clothing and textile goods.
7. Leather and manufactures of leather.
8. Furniture and household furnishings.
9. China, glass, and earthen goods.
10. Fancy goods, musical instruments, &c.
11. Paper manufactures and stationery.
12. Manufactures of metal.
13. Timber, and articles made from timber.
14. Oils, paints, &c.
15. Cordage.
16. Agricultural products.
17. Miscellaneous.

Although your Excellency's Commission in no way instructs your Commissioners to consider as a special object the propriety of reducing or increasing the taxation, and although from the opening of the Commission until now no representations whatever have passed between the Government and the Commission on the subject of their inquiry, the members of the Commission, being all members of Parliament, are necessarily aware of the condition of the public revenues, and they have not thought it wise to propose reductions which might have the effect of embarrassing the finances of the colony. And, on the other hand, they have not thought it wise, in view of the present depressed condition of trade—and especially of the agricultural industry—to recommend increases of duty purely from a protectionist point of view. They have endeavoured to divide articles which may fairly be described as luxuries from articles of necessity, with a view to bring the former under the highest rate of duty and the latter under the lowest. Proceeding upon these lines, they have found it necessary in some instances to increase the amount of duty from the highest rate previously known to the tariff (namely, 25 per cent.) to 30 per cent.; while in some other instances they have raised the duty, not so much for the reason that it was considered that the articles should on their merits bear a higher rate, but for the reason that by so doing uniformity of rate throughout a class could be secured. In two or three instances specially high rates hitherto unknown to the tariff of this colony have been deliberately recommended by the Commissioners from an entirely different point of view. The first of these, and the highest rate recommended, applies to articles of bamboo manufacture, or of which bamboo forms a part. These goods are chiefly imported from Japan, and are manufactured by labour employed at so cheap a rate as to render it a matter of impossibility for white labour to compete against it; and your Commissioners are of opinion that the duty they now recommend—namely, 75 per cent.—is not at all too high under the circumstances.

Another instance in which a high duty is recommended is that of certain printed matter imported from England, the Continent, or from Australia, to the injury of the printing trade of the colony. The duty proposed in this case is 50 per cent.

Again, on fireworks a similar duty is proposed. It is considered that these are articles which cannot in any way be classed as necessaries, and it is considered desirable to discourage their use.

Your Commissioners are of opinion that it is not desirable to maintain the present differentiation in duty as between spirits imported in bulk and spirits imported in case, and they therefore recommend that the rate of 15s. be struck out altogether, and that spirits of all classes should come under the duty of 16s. per liquid gallon. This change will add con-

siderably to the revenue; but your Commissioners are of opinion that the increase accruing from this direction may be beneficially applied in effecting decreases in other directions, to the benefit of the population of the colony.

The question of the fruit industry has given your Commissioners cause for much anxious consideration. They have been asked by fruit-growers in every part of the colony, from Invercargill to Auckland, to increase the rate of duty on imported fruit. On the other hand, a number of witnesses have urged the opposite view, asserting that a sufficient supply of New Zealand fruit is not forthcoming to meet requirements, and that an increase of duty is therefore inexpedient. Several deputations on the subject of this industry included in their requests for a duty or an increased duty not only the fruits that can be grown in the colony, but also the fruits imported from the South Sea Islands. Your Commissioners are of opinion that it would be impolitic, from a national point of view, to do anything that would imperil the extension of the growing trade between New Zealand and the islands of the Pacific, and they have therefore unanimously refused to recommend the imposition of any duty upon the fruits imported from the islands—that is to say, upon sub-tropical fruits. On the other hand, by a majority, they have agreed to recommend that the duty on fruit at present classed as dutiable should be increased from one halfpenny to one penny per pound; and that there should be included in the dutiable list with the fruits previously enumerated as dutiable the following, viz.: medlars, currants, raspberries, gooseberries, strawberries, and blackberries; it having been shown that these are among the fruits which are imported.

One of the most difficult—indeed, the most difficult—question which your Commissioners have had to approach has been that of the duties upon machinery. The engineers' societies have represented to the Commission that a large number of men in this industry are out of employment, or are only working short time; but the remedy the societies have proposed, viz., large increase of duty, is so drastic that the Commission has been unable to recommend compliance with their requests—especially in view of the fact that all other industries, almost without exception, have urged that their machinery should be admitted duty-free, and also of the further fact that the low prices of farm produce which have recently obtained would render any proposal for an increase of duties upon agricultural machinery utterly impossible of acceptance. Your Commissioners, however, have endeavoured not to intensify the difficulties under which the machinery-manufacturing industry labours, and in only two or three instances have they added to the list of exemptions as regards machinery. The instances referred to are wood-working machinery, machinery for twine-making, and machinery for paper- and woollen-mills. With these exceptions they have left the duties on machinery *in statu quo*.

There are two other large industries which, like the machine manufacturing and producing interests, are, to some extent, interdependent, and, to some extent, mutually antagonistic. These are the bootmaking and the leather-making industries. The bootmakers naturally desire free leather, while the leather-makers, in common with other industries, as naturally desire a fair share of protection. The Commission has endeavoured to balance these claims, and ventures to think that it has succeeded in arriving at a fair solution of the difficulty, by increasing the rate for boots to 25 per cent., and by giving some further protection to the leather industry. It may be added here that the bootmakers in some parts of the colony have urged the adoption of a specific duty at per pair in addition to an *ad valorem* duty, but your Commissioners are of opinion that it is very undesirable to have a compound system of duties, and on that ground alone they would have rejected the proposal. But, independently of this, and even if the compound system had been considered feasible, it appears to your Commissioners that the scale proposed would have pressed unduly heavily upon the lower classes of goods and fallen too lightly upon the more expensive.

In soft goods, the Commissioners have placed silks, satins, velvets, millinery, trimmings, and laces under the highest rate of duty, as being articles of non-necessity, and they recommend what they think will be a great advantage to the public—namely, that articles of daily use, and which are required by all classes, such as cotton goods and the lower class of linen goods—namely, hollands, forfars, &c.—be admitted duty-free. This in itself is a relief to the purchasing public to the extent of nearly £20,000. One of the greatest difficulties in connection with the soft-goods trade has been that of classifying certain items of drapery, especially flannelettes and union shirtings. In some instances these goods are of such a pattern and make as to be readily usable as ladies' dress materials, instead of for shirtings, for which they are supposed to be intended, and complaints have arisen because the Customs officers have had to say on their own judgment how many pieces out of a given shipment

were dutiable and how many were not. To overcome this difficulty your Commissioners have thought it wise to place on both these lines the same rate of duty as upon ordinary textile goods.

In view of the fact that a number of persons resident in the colony, and especially in the large cities, are in the habit of importing for their own use tailor-made goods, or short lengths of tweeds, to the injury of the local manufacturers and drapers, it is recommended that those who indulge in this practice should be invited to contribute to the revenue in a somewhat greater degree, and your Commissioners have accordingly recommended the imposition of a special rate of duty in these cases.

Your Commissioners recommend that the duty on tea should be reduced by 2d. per pound, which is equivalent to a remission of £34,000.

The Commissioners have been approached by the Colonial Sugar-refining Company (Limited) with a request for the imposition of a higher rate of duty on imported beet-root sugar, but they are unable to recommend this, as they do not consider that a case has been made out for the alteration proposed.

Also, that the duty on kerosene be reduced by one-half—viz., from 6d. to 3d.—equivalent to a remission of nearly £18,000; and that

Salt of all kinds, including agricultural salt, should be admitted free.

They also recommend for free admission fencing-wire, plain and barbed. This concession is equivalent to a remission of nearly £14,000, and is in the interests of country settlers.

The statistics show that the importation of binder-twine has fallen to very small proportions, the great bulk of the twine used in the colony being now of local manufacture. The duty, therefore, upon this article is an unimportant item from a tariff point of view, while it has an irritating effect upon agriculturists. It is therefore recommended that the duty should be removed.

The question of imposing a duty upon sheep-dip, in the interests of the local manufacturers, has been very carefully considered by the Commission. On the part of the local manufacturers it is claimed that an equally good article can be manufactured within the colony as can be imported, and also that it can be supplied at as low or even a lower price; but it is alleged that prejudice and custom have prevented the local manufacturers securing the control of the trade. On the other hand, these contentions are disputed by a number of witnesses representing the agricultural community; and, in view of all the circumstances, and especially of the condition of the agricultural industry, your Commissioners are unable to see their way to recommend that a duty should be imposed.

It has been represented to the Commission that recently considerable importations of horses have been made from Australia, and that there is an apparent probability of large importations of cattle in the near future. It is felt that, until the sister-colonies are willing to admit horses and cattle from New Zealand free, and so long as most of the other colonies impose duties thereon, it is only fair that some corresponding duty should be levied upon horses and cattle coming to this colony from Australia; the Commission therefore recommend the imposition of a duty of £1 per head upon horses and of 10s. per head upon cattle.

Altogether, the reductions recommended in various items of the tariff amount to a large sum—£101,000—but such reductions, as will be seen by the appended statement, are balanced as nearly as possible by the increases made on articles of luxury.

Your Commissioners would have been glad if it had been possible for your Excellency to have placed more time at their disposal, so as to have enabled them to exhaustively carry out the important duties intrusted to them; but, in view of the near approach of the meeting of Parliament, they quite recognise that, unless the matter had been postponed until after next session, this would have been an impossibility. They, however, owing to the brief period at their disposal, are compelled to present their report in a less complete form than they could have desired, it having been impossible for them to do justice either to the task or to themselves in the time available; but they venture to think that, if their recommendations are adopted, a large number of inconsistencies will disappear from the tariff, the work of the Customhouse officers will be considerably simplified, and much annoyance saved to importers; and that the burden of taxation, without disturbing the equilibrium of the revenue, will be more fairly adjusted than it has been under the existing scale of duties.

In closing their report, the Commissioners desire to express their appreciation of the advice and information received from Mr. W. T. Glasgow, Secretary for Customs, who has been in constant attendance, and most courteous and painstaking. They also desire to record

their entire satisfaction at the manner in which the secretary, Mr. E. W. Kane, and the reporter, Mr. W. H. Russell, have carried out their duties.

Herewith we return to your Excellency the Commission, together with this Report and the evidence appended thereto.

In witness whereof we have hereunto set our hands and seals, this thirty-first day of May, one thousand eight hundred and ninety-five.

Certain formal verbal amendments were made therein on the suggestion of the Chairman.

On the motion of Mr. Mackenzie, *Resolved*, To insert the following paragraph on page 6, after paragraph 2, as printed:—

"Matches, wax vestas: Evidence has been given by the match-makers and importers to which attention is directed. Taking all the circumstances into consideration, your Commissioners do not think the industry of sufficient importance to the colony to justify the large loss of revenue which will follow its development, and they have, therefore, decided to recommend the reduction of the duties at present in force."

Mr. Mackenzie asked if, in considering the report, it was competent for him to move a motion which would amount to a reversal of decisions already determined by the Commissioners.

The Chairman ruled No, on the ground that the several items had been agreed to, and, even if it were not so, one Commissioner (Mr. Hutchison) had gone away, and therefore on this ground also it could not be agreed to.

Mr. Tanner moved to insert the following new paragraph after subsection (2) of paragraph 5:—

"From evidence given before the Commission, they would suggest that, as the present system of distribution is clearly inimical to the interests of the community, the Government should take measures to control the distribution of coal from the West Coast mines to the public, a step which would be of great service to the population of the colony."

On the question being put, a division was called for, and the names were taken down as follow:—

Aye.—Mr. Tanner.

Noes.—Hon. Major Steward, Mr. Stevens, Mr. McGowan, Mr. Mackenzie.

So the motion was negatived.

On the motion of Mr. Tanner, *Resolved*, To insert, after subsection (7) of paragraph 5, the following new paragraph:—

"Your Commissioners have received numerous requests from manufacturers and others for the free admission of a number of chemicals applied to various uses, and which are now for the most part subject to 15 per cent. duty, and as these articles are of indispensable importance to certain industries, and yield but a trifling amount of duty, they have decided to recommend that the requests be acceded to.

"Some of the articles placed in the exemption list have been previously treated as free by Commissioners' decisions, but it has been thought advisable to mention them specifically, as well as those now for the first time recommended to be free."

On the motion of Mr. Tanner, *Resolved*, To transpose the third and fourth printed paragraphs.

On the motion of Mr. Stevens, *Resolved*, To insert the word "substantial" before the word "duty" in line 23 of paragraph 2; and after the word "duty," in the same line, to insert the word "which," and to strike out the word "now." In the following line, to strike out the words "viz., 75 per cent." In the next paragraph (3), to strike out the words "the duty proposed in this case is 50 per cent."

Mr. Mackenzie moved to strike out the word "neither," in line 2, paragraph 4, with a view to inserting other words.

A division being called for, the names were taken down as follow:—

Aye.—Mr. Mackenzie.

Noes.—Mr. McGowan, Mr. Tanner, Mr. Stevens, Hon. Major Steward.

So it passed in the negative.

Mr. Mackenzie moved to strike out "nor from that of free-traders, but," in line 3, paragraph 4, and to insert "although not" in lieu thereof.

The motion was negatived, Mr. Mackenzie dissenting.

On the motion of Mr. Mackenzie, *Resolved*, To strike out the words "by this it is not intended to convey that the officers have in any way exceeded their duty," in line 13, paragraph 4.

On the motion of the Chairman, the following words were inserted after the word "subjected," in line 19: "leaving the importer to use his legal remedy of appealing to the Commissioner of Customs against such action."

On the motion of the Chairman, *Resolved*, To strike out, in line 21, the words "the onus of deciding points of this kind," and to insert, in lieu thereof, the words "the occasion for such dispute and appeals from local decisions."

On the motion of Mr. Mackenzie, *Resolved*, To strike out the words "conceive this to be a political question upon which they are not called upon in the present report to express an opinion, but they think it right to inform your Excellency of the representations made to them," in paragraph 8, and to insert, in lieu thereof, the words, "without expressing an opinion on the proposed treaty to which allusion has been made, considering that the advantages to be derived from intercolonial free-trade are sufficient to outweigh the local considerations which have been presented."

On the motion of Mr. Stevens, *Resolved*, To strike out the word "free-trade," and to insert the word "reciprocity," Mr. Mackenzie dissenting.

On the motion of Mr. Mackenzie, *Resolved*, To insert, after the word "permitted," in line 20, the words "subject to the licensing-law."

Mr. Mackenzie moved to strike out the word "no," in line 10, paragraph 9, and after the word "chargeable," in the same line, to insert the words "that all beers shall be dutiable in accordance with their alcoholic strength."

Motion negatived.

Mr. Mackenzie moved to strike out the words "and," "of," "that," in line 6, page 3, and to insert, in lieu thereof, "that there be no recommendation made."

Motion negatived, Mr. Mackenzie dissenting.

On the motion of the Chairman, *Resolved*, To insert after the word "good," in line 4, paragraph 13, page 3, "especially in the case of goods invoiced from New York and Hamburg."

On the motion of Mr. Mackenzie, *Resolved*, To strike out from line 6, &c., of paragraph 13, the words "think that on the basis of the existing law the Customs Department has acted strictly correctly in refusing to allow the deduction of these inland charges, and," and also the word "they," in line 9.

Mr. Mackenzie moved, That the remainder of clause 13 be struck out, from the words "that the value," &c., with a view to insert other words.

Words retained, Mr. Mackenzie dissenting.

Mr. Mackenzie moved to insert, after the words "County Councils," in paragraph 16, the words "and all other local governing bodies."

Upon the question being put, a division was called for, and the names were taken down as follow:—

Ayes.—Mr. Mackenzie, Mr. McGowan.

Noes.—Mr. Tanner, Mr. Stevens, Hon. Major Steward.

Motion lost.

Mr. Mackenzie moved to strike out, in paragraph 19, page 4, the words "and an entirely different," with a view to inserting the word "protectionist."

Motion lost, Mr. Mackenzie dissenting.

On the motion of Mr. Mackenzie, *Resolved*, To strike out the words "and drapers" in paragraph 27, line 3, page 6.

On the motion of the Chairman, the report as amended was agreed to.

Mr. Mackenzie intimated that he would hand in a written objection to some of the proposals contained therein.

The Chairman moved, That Mr. Kane, the Secretary, be authorised to prepare an index of the evidence in time for the meeting of Parliament.

Mr. Mackenzie moved, by way of amendment, That the evidence be summarised, and that, if necessary on the score of time, Mr. Russell be appointed to assist Mr. Kane.

Upon the amendment being put, it passed in the negative, Mr. Mackenzie dissenting.

The original motion was agreed to.

The Chairman proposed that members of the Commission return to the Secretary all papers connected with the inquiry, with the exception of their own notes and a copy of the printed evidence.

The motion was agreed to, Mr. Mackenzie dissenting.

The Chairman moved, That the Government be recommended to make the following allowances on account of services rendered by the following:—

Mr. Larchin, Chief Clerk, Customs Department, for overtime in supervising correction of evidence, £50.

Mr. Mackenzie moved, as an amendment, that the amount be £25.

On the amendment being put, a division was called for, and the names were taken down as follows:—

Ayes.—Mr. Tanner, Mr. Mackenzie.

Noes.—Mr. McGowan, Mr. Stevens, Hon. Major Steward.

Amendment negatived.

Mr. Stevens moved, as a further amendment, that the sum be £30, and, on being put as the substantive motion, it was agreed to, Mr. Mackenzie dissenting.

The Chairman moved, That Mr. Kane be recommended to receive a special allowance of £25.

Agreed to.

Mr. Mackenzie moved, That Mr. Russell be recommended to receive a special allowance of £10.

Motion negatived, Mr. Mackenzie dissenting.

Mr. Stevens moved, That Mr. Russell be recommended to receive a special allowance of £25

Agreed to.

The Chairman moved, That Mr. Lynch, messenger, be recommended for a bonus of £5.

Agreed to.

On the motion of Mr. Stevens, *Resolved*, That the thanks of the Commission be passed to Mr. W. T. Glasgow, Secretary of Customs, for his courtesy and attention during the course of the inquiry; and that the Commission place upon record its appreciation of the valuable assistance he has rendered.

On the motion of Mr. Mackenzie, *Resolved*, That the Secretary of Customs be requested to supply to the Commission an estimate in detail of the probable effect upon the revenue of the suggested alterations in the tariff.

Carried.

On the motion of Mr. Mackenzie, *Resolved*, That the detailed minutes on the items of the tariff be printed for the use of the members of the Commission.

Mr. Mackenzie moved, That certain evidence given before the Commission by Mr. G. V. Shannon, Customs expert, and omitted from the printed evidence on account of a request made by the witness during the course of his examination, be included in the printed proceedings.

Motion negatived, Mr. Mackenzie dissenting.

The Commission adjourned at 5 p.m. until 10.30 a.m. on Friday, the 31st May, to enable the necessary printing of report, &c., to be completed.

WELLINGTON, FRIDAY, 31ST MAY, 1895.

The Commission met at 10.30 a.m.

Present: Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, Mr. McGowan, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A letter was received from J. A. Iggo, of the Bluff, asking for the free admission of crude chalk. *Resolved*, To reply that the letter was received too late for consideration by the Commission, but that it would be forwarded to the Customs Department.

On the motion of the Chairman, *Resolved*, That, as the Commission expires to-day, and as most of the Commissioners are leaving Wellington by this day's boat, the Chairman be authorised to verify and confirm the minutes of to-day's proceedings.

The Chairman reported that he had received an estimate signed by Mr. Larchin, Chief Clerk, Customs Department, showing the effect on the revenue of the revised tariff as recommended by the Commission. The estimate showed the total increases to amount to £106,536, and the decreases to £96,187, leaving an estimated net increase of £10,349.

Mr. Glasgow said that he did not agree with these figures, and that it was a pity they should be taken down. He had gone over the returns, and the following was his estimate——

The Chairman: Then, this estimate has not been submitted to you?

Mr. Glasgow: Not till after it had been sent in. I estimate the total increases to amount to £103,536, and the decreases to £104,187, reckoning on the basis of the 1894 returns, without making any allowance for decreased importation.

The Chairman pointed out that a comparison of Mr. Glasgow's estimate with the estimate made by the Commission, and based on the 1893 returns, showed there was only a difference of about £1,000. Practically, the two estimates agreed.

Mr. Glasgow said he estimated that the following items, upon which the duty had been increased, would not yield the revenue estimated in the return furnished to the Commission: Apparel, hats, silks, millinery, boots, harness, leather, leather manufactures, furniture, cords, jewellery, plated ware, stationery, hand-bills &c., cartridges, brushware, fruit, milk, pickles, sauces, patent medicines, bamboo furniture, matches. The total increases on these items in the report amounted to £61,352. He thought that a deduction of one-third should be made from that total, owing to the fact that increased protection generally tends to discourage importation. He therefore estimated that the total increase would amount to £83,086 in place of £103,536.

The Chairman asked if Mr. Glasgow made any allowance for increased importations in consequence of decrease of duty on tea, kerosene, &c.

Mr. Glasgow said that in his estimate he had not included the tobacco licenses. The principal items to be considered upon which an increased importation was possible owing to a decrease in the duty were tea and kerosene, but he did not think that there would be much increased consumption in regard to tea. In the United Kingdom a reduction of the tea duty was generally followed by increased consumption, but he did not think that precisely the same effect would follow from a reduction of duty in New Zealand, the circumstances of the two countries being quite different. He estimated that there would be a considerable increase in the consumption of kerosene owing to the reduction of the duty, and he thought a further sum of, say, £2,000 might be added to the estimated increase on account of the altered duty on that item. Therefore, not taking into consideration the revenue to be derived from the tobacco licenses, he estimated that the increase in revenue would be short of the decrease by the sum of £19,000.

Mr. Mackenzie said that in connection with his memorandum of dissent he had based his remarks on the estimate made by the Commission, but Mr. Glasgow's estimate showed that the revenue would lose by the concession to the extent of about £19,000.

The Chairman said Mr. Glasgow had not allowed for tobacco licenses in his estimate.

Mr. Mackenzie desired to place on record the fact that his forecast of the probable effect of the proposed changes, as indicated in his memorandum attached to the report, was based upon the schedule drawn up by the Commission, and that the information Mr. Glasgow had just given practically went in the direction of confirming the result he had arrived at.

The Chairman said that, in comparing the statement made out by the Commission, and which was based on the returns for 1893, with the calculations made by Mr. Glasgow on the returns for 1894, the result was that they had come out within a few hundred pounds of each other. The basis of calculation being different, and the Commissioners having had to go on the last printed returns—viz., those of 1893—he thought it would be found that, adjusting the calculations to the returns of 1894, upon which the Customs Department had proceeded, but which were not at the disposal of the Commissioners, the results were very nearly identical.

On the motion of the Hon. Major Steward, *Resolved*, That, seeing that the work intrusted to the Commissioners has occupied them until a period which will only leave them about fourteen days between the date on which they can reach their homes and the date on which they will have to leave again to attend the session of Parliament, they will be unable to deliver the usual pre-sessional addresses, and hereby appeal to their several constituencies to hold them excused.

The Secretary was instructed to communicate this resolution to the Press.

The Chairman said they were now about to sign the report for presentation to His Excellency the Governor, and if any member wished to enter a protest or record his dissent now was the time to do so.

Mr. Mackenzie handed in the following memorandum signed dissent, which was read :—

"Whilst thoroughly in accord with, and supporting, most of the exemptions recommended, I regret that resolutions should have been carried recommending some of the increases of duties, which are obviously for the purpose of protection, notably those on cartridges, bamboo and other furniture, printing, &c. And it is with regret that I find myself unable to agree with my fellow-Commissioners on some of the other leading features of the report.

"1. Although, speaking generally, the report is in accordance with the evidence given, still, that evidence, where offered in favour of protective duties, is inconclusive and untrustworthy, for the following reasons : The evidence given was *ex parte ;* it was never published in detail—often not at all—and thus the other side of the question was not heard. As a result, the manufacturers, and those having large interests to serve by influencing the Commission, came before it, whilst the much larger class, of consumers, did not.

"2. Again, I felt that in framing a new tariff—which is practically what the Commissioners have done—they have altogether departed from their proper functions. The report shows that, whilst considering the evidence on the one hand, they have constantly kept in view the requirements of the Treasury on the other ; whereas it appears to me that their sole duty was to submit the evidence to the Government, with the conclusions based thereon, leaving it entirely to the Government to determine what course should be taken to adjust finance. Even assuming the Commissioners were within their order of reference, I feel assured that the estimated increases of revenue in the schedule of duties appended to the report will not be realised, and consequently there will be a considerable deficiency occasioned by remissions.

"Generally, I object to the recommendations of the Commissioners on the questions of tobacco license, inland charges, and the limitation of the number of local bodies who are recommended the privilege of cement duty-free. "THOMAS MACKENZIE."

The report was then signed by the members present, and the Secretary was requested to transmit it for presentation to His Excellency the Governor.

Mr. Mackenzie moved, That the members of the Commission desire to place upon record their high appreciation of the ability shown by the Hon. Major Steward as Chairman, and to testify to the courteous manner in which he has conducted the proceedings. He said it was with very great pleasure that he moved this resolution as to the manner in which the Chairman had conducted the proceedings. His considerateness and general courtesy had been the means of smoothing over many difficulties which otherwise might not have been overcome. Personally, he was conscious he had been a little quick-tempered ; and, although he had occupied, in a sense, the position of representing the opposition on the Commission, the Chairman had extended to him every consideration, and had given him every assistance, and he desired personally to thank him ; and he thought he was expressing the opinion of the Commission when he said that he did not think they could have had a gentleman better qualified to fill the position than the present Chairman. It had been a very great pleasure to him indeed to be a member of the Commission.

Mr. McGowan had much pleasure in indorsing Mr. Mackenzie's remarks regarding the services rendered by the Chairman ; and he would further add that, while not, perhaps, entirely agreeing with all the findings of the Commission, yet he was fully prepared to sign the report, as it was the best compromise that could have been arrived at under the circumstances.

Mr. Tanner desired to echo the remarks of the two previous speakers. In a matter of this kind it was impossible to frame such a report as would satisfy everybody ; but he was satisfied the best had been done under the circumstances, and he should sign the report without any qualification.

Mr. Stevens was very pleased indeed to have been a member of the Commission. With reference to the remarks made by Mr. Mackenzie regarding the Chairman, he could only add that he had never before had an opportunity of sitting with a gentleman who had shown himself as capable as their present Chairman had, as president of the Commission. Personally, he desired to thank him for the courtesy and very kind consideration extended to him during the course of the proceedings.

The resolution was then put and agreed to.

Hon. Major Steward said that it was very gratifying to him to hear, after four months' working together, such kind expressions from the members of the Commission. He was quite conscious that on occasions, perhaps, he had been a little impatient, but he had endeavoured during the whole course of the Commission to be courteous and to give to every Commissioner the utmost fair-play, and he was glad to find that at the end they would part even better friends than they had been before. Although there had been necessarily differences of opinion with regard to some of the matters intrusted to them, they had discussed such matters without soreness, and if he had ever to serve in a similar capacity again he could wish for nothing better than to have the same gentlemen associated with him. They could pride themselves on one thing : Although they had many temptations to turn on one side for the purpose of enjoying themselves, upon no occasion had they given way to such temptations ; they had pressed forward with all despatch, and had endeavoured to get their work completed as rapidly as possible. Had they been allowed as much time as the Victorian Commission they would have been able to make a more elaborate report, but, owing to the high pressure under which they had had to work, and in view of the amount of travelling necessarily involved, and with only twenty-one days available to go through the evidence on which they had had to prepare the report, he thought that they need not be ashamed of the results. He thanked them all sincerely for their kind expressions of regard.

The Chairman then declared the Commission closed.

MEMORANDUM by Mr. W. T. GLASGOW.

Hon. Major Steward.

REFERRING to the last page but one of these minutes, on which your remark is recorded that the Commission's statement agreed with the calculations made by Mr. Glasgow, I think it is necessary to state that my estimate of increased revenue amounted to £83,086, whereas the increase shown on the Commission's statement is £100,190; and also, that my estimate of decreased revenue amounted to £104,187, whereas the Commission's statement shows £101,707.

I regret that the figures sent forward by Mr. Larchin were read out before the Commission. I revised his figures and found some omissions, the totals being as follows:—

	Increase.	Decrease.
Mr. Larchin's list	£106,536	£96,187
My revision	£103,536	...
Less deduction	20,450	...
	£83,086	£104,187

I do not know how Mr. Larchin's figures came to be put before the Commission. As they did not bear my signature they should have been ignored, and they should not have appeared in the minutes. As they have appeared, I can only rectify the matter by submitting this memorandum.

1st June, 1895. W. T. GLASGOW.

MEMORANDUM by the CHAIRMAN.

SIR,— Wellington, 1st June, 1895.

I have the honour to acknowledge the receipt of your memorandum of this day's date, and, in reply, to say that the estimate prepared by Mr. Larchin was laid before me, as Chairman, on the last day's sitting of the Commission, as one of the papers to be submitted to the Commission. It was, therefore, my duty to read it, which I did. I was not aware at the time that you did not entirely agree in the calculation therein presented, but opportunity was at once given to you to make any statement you desired.

Your own revised estimate, fortunately, however, differs only in a very slight degree either from the figures of Mr. Larchin or the calculations of the Commissioners, and I think, therefore, that it may be considered as ascertained, or as nearly as possible, that the revised tariff, as recommended by the Commissioners, will produce, from a revenue point of view, the results they have estimated, or within the comparatively small range of increase or decrease of, say, £10,000 in connection with a revenue of, roundly, £1,500,000.

I have, &c.,

W. J. STEWARD,

W. T. Glasgow, Esq., Secretary for Customs. Chairman, Tariff Commission.

MINUTES OF EVIDENCE.

WELLINGTON.

TUESDAY, 5TH FEBRUARY, 1895.

*(1.) BENJAMIN DANKS examined.

1. *The Chairman.*] What are you?—A coir-mat and matting manufacturer in all its branches.

2. How long have you been engaged in the trade?—Since 1842, when the trade began in London. I have been four or five years in Wellington.

3. How many hands do you employ?—At present I cannot keep one fairly employed, but I should be able to keep at least twenty or thirty.

4. What articles do you manufacture?—Mats and matting of various kinds. We complain mostly of the Indian gaols; labour to them is of no value. I have a statement here if you would like to look at it.

COST TO MAKE.

	£	s.	d.
12 coir door-mats, No. 3 size—			
Material, 72lb., at 3½d.	0	19	0
Wages, 45ft., at 4d.	0	15	0
	£1	14	0

COST TO IMPORT.

12 coir door-mats, No. 3 size—			
Invoiced	1	2	6
Duty and freight, 20 per cent.	0	4	6
	1	7	0
Balance in favour of import	0	7	0
	£1	14	0

4A. That means a dozen mats can be produced by you for £1 14s.?—That would be the actual net cost.

5. And a dozen can be imported under the present tariff for £1 7s.?—Yes.

6. In other words, the importer can undersell you by 7s. a dozen?—Yes.

7. Have you any information to give the Commission as to the total value of this particular article as imported into the colony?—They are quoted at £1 5s. a dozen, *plus* the allowance of 10 per cent.

8. Do you know the total quantity that comes into the colony?—No.

9. What relief do you wish in the matter?—That some restraining influence should be placed upon the importation of these goods.

10. Is your estimate of the cost of the imported article based upon the cost of the article manufactured in the gaols?—No; on the market cost of the material and free labour.

11. I do not think you quite follow me. You complain of being brought into competition with the article manufactured in gaols, where labour costs nothing?—Yes; more especially Indian gaols.

12. I wish to know whether your estimate of £1 7s. is the cost of articles so manufactured, or the cost of articles manufactured in England or elsewhere by free labour?—I gave £1 14s. as the cost here.

13. That is the cost here. If the cost of a dozen mats imported is £1 7s., then the difference is 7s. Do you mean that the articles which cost £1 7s. are the articles which are manufactured in gaols?—Yes.

14. Do you know what the cost would be if purchased from the manufacturer in London, who employs free labour, and imported here?—That would mean 20 per cent. added—£1 14s.

15. It does not affect the £1 14s. at all. Supposing you had to buy the goods at the wholesale manufactory in London, what would be the cost to you to land these goods in the colony duty-paid?—I estimate them at something like £2 a dozen.

16. *Mr. Tanner.*] If made in England?—Yes.

17. *The Chairman.*] Then, I understand the direct importer can undersell you by 7s.?—I have given the actual cost of labour and materials; I have given nothing to the manufacturer.

18. If you import goods at £2 a dozen you do not sell them for £2?—My object is to manufacture here, not to import.

19. If you could manufacture them for £1 14s. a dozen as against the English manufacture, then you require no assistance?—Nothing at all against a dozen mats of free-labour manufacture.

20. It is only against the prison labour you have a grievance?—Yes, that is all. Free labour I have nothing against.

21. *Mr. Hutchison.*] What is this coir?—It is the fibre of the outer husk of the cocoanut.

* NOTE.—The numbers placed before the names of witnesses show the order in which they were examined. Where the numbers are not immediately consecutive the fact indicates that the witnesses represented by the missing numbers did not return the reporter's manuscript in time for the evidence to take its proper place.

22. Whence is it obtained?—India.

23. Do the original growers put it into the form in which it appears as coir?—The Indians or Hindoos do that. Only during the last three or four years have they started manufacturing the article in their gaols.

24. They did not do that formerly?—No; it is an innovation.

25. Do you get the raw article in free of duty?—Yes.

26. Through what channel do these gaol-products come—they do not appear to come through the English importers?—Local agents buy them up, and colonial agents then take them and distribute them through the colonies. The local agents are in Calcutta and Malabar, and there are also the large gaols which supply the local agents, who ship them to the agents in the various parts. There is a man calling himself a manufacturers' agent travelling around now, and it is said he is a prison agent.

27. Have you any proof of that?—Yes; I have letters to that effect.

28. That this manufacture is going on in the gaols in a systematic way?—Yes.

29. *The Chairman.*] This letter is addressed to yourself?—From A. Forsyth and Co., Sydney. I tried to get the mats direct from the gaol, but I was referred to the local agents.

30. *Mr. Hutchison.*] Then, the English manufacturers will labour under the same grievance as yourself?—Yes; they are nearly almost shut out now.

31. Have they made any representations to the British Government on the subject?—I do not know.

32. Is very much matting sold?—Yes.

33. As against the English product?—No. The imports from England are dying out. India has taken the trade in the colonies, and is shutting them out.

34. Do these articles come direct to the colonies from India?—Direct to Sydney.

35. None to Melbourne?—I do not think any go to Melbourne. One firm (James Miller and Co.) employs two or three hundred hands in making matting in Melbourne. Last time I was over there two hundred hands were employed in Melbourne alone.

36. *The Chairman.*] This coir matting is what is commonly known as cocoanut matting?—Yes, and mats.

37. Those are the mats we see out of doors?—Yes; that is a gaol-made mat at the front door here.

38. The Commission understand you to say that this importation from India of mats manufactured in prison is practically excluding importation from the manufactories in London?—Yes, I can guarantee that.

39. And also from Melbourne?—Melbourne cannot manufacture to export; only for local trade. They have a duty of 25 per cent.

40. *Mr. Stevens.*] Do you not also manufacture mats from jute?—No; there is no stability in it. It was started many years ago, before coir came into use.

41. Are these mats imported into New Zealand?—No, only little fancy ones.

42. What amount of duty do you think would be reasonable to place upon these coir mats in order to give you an opportunity of competing with this other article?—Twenty-five per cent. would greatly curtail the imported article, but it would not entirely prohibit it, because John Duthie, Sargood, Bing Harris, and others say they can buy it at 30 per cent. less than I offer it, and I have to depend much upon the Union Company, who deal with me; otherwise I would have been starved out. They pay me a good price.

43. *Mr. Tanner.*] According to your statement, both in England and the colonies the raw article is brought in free, and has been for many years?—Yes.

44. How long has the trade been established?—It was first started in 1836. In 1842 they started the manufacture of mats, and it grew greatly.

45. Then it is the fact of the Hindoos having adopted the plan of manufacturing the article which has given such a blow to the establishment of the manufacture in the colony, and has practically ruined the English manufacture?—Yes; it is doing that, gradually of course.

46. Do you know to what extent this trade is followed in the colonies?—The consumption is great.

47. I mean the manufacture?—I do not know. A friend of mine in Sydney is doing a little, but he has been engaged in it seventeen years, and cannot get more than a living.

48. Through what channel does the matting reach the colonies from India: by the P. and O.?—By a service between Calcutta and Sydney, and Malabar as well.

49. Do you know any one else who is engaged in this colony in this manufacture?—I am the only one, and established it in the year 1890–91.

50. *The Chairman.*] Do you at present employ any labour?—I can hardly keep one man going.

51. Supposing it were possible to shut out the imported article, what effect would it have? Would it enable you to employ labour?—Yes. I could put on fifty hands at once.

52. Would you be able to undertake the whole of the trade in New Zealand?—I could supply the whole colony.

53. How many persons would you employ, then, to-day if you had command of the trade?—On a fair estimate, I think at least 100 hands could be constantly employed.

54. Is most of the imported article drawn from India?—Yes.

55. *Mr. Tanner.*] You fear no competition from any other quarter?—No; Only gaol manufactures.

56. *The Chairman.*] Do you use in your industry anything else produced in the colony?—Wool.

57. To what extent would that be used?—Wool is used for fancy mats, for bordering.

58. It would not mean a very large thing taking all the wool-bordered mats in New Zealand? —I think that would employ eight or ten looms.

59. Can you make any suggestions? Is there any way by which it would be possible to distinguish prison-manufactured goods from free-labour manufactured goods—*i.e.*, English-manufactured goods?—An expert could distinguish them, but not an ordinary person, unless they are marked in some way. They could be stamped.

60. They would require to be stamped by the exporter?—Yes; in India, or elsewhere.

61. Supposing you got an adjustment of this matter, what amount of duty would you require upon the present manufactured article, if specially distinguished from any other article, to enable you to command the trade?—I am hardly competent to deal with that question.

62. Take the article manufactured by you—a dozen mats cost £1 14s. The article that comes in here bears a duty of 15 per cent., yet a dozen mats can be imported for £1 7s.: what duty would be required to equalize the two?—It would require something like 15 per cent. additional.

63. Supposing you had to impose a duty, would you recommend that it should be imposed *ad valorem* or upon measurement?—Upon the actual value.

64. I might mention that, according to the statistics of the colony for 1893, the total value of the mats imported from India was £361 in twelve months?—That is the declared value.

65. Do you contend that the statistics do not represent the facts?—I say they do not represent the actual value of the gaol-manufactured goods imported into the colony in twelve months. They come from other sources. They come to me simply as agents' goods.

66. Then, are we to understand that the mats imported direct from Bengal do not represent the total number that comes from India?—No.

67. How else do they come?—From Sydney.

68. The total amount we have from Sydney is £112; from Melbourne, £415: so that altogether it would only amount to £1,000?—That is the declared value.

69. Do you think any find their way here by way of England?—I think it is more than possible.

70. *Mr. Tanner.*] You think it possible a large amount might find its way into the hands of English agents which is re-exported, and whether it reaches us from Sydney or direct from England we have no certain knowledge that it is London manufacture?—It simply comes as coir manufacture.

71. *The Chairman.*] As a matter of opinion, what would you imagine would be the relative values of the coir mats and cocoanut matting imported into the colony? Which do you think would represent the larger value, cocoanut matting or coir mats?—The mats, I think.

72. *Mr. Hutchison.*] Do you make mattings?—Yes; and I supply the Union Steamship Company.

73. *The Chairman.*] Is there anything not brought out by the questions that you would like to mention?—I think you have touched upon all material matters.

74. We have endeavoured to get at the bottom of it, and your grievance amounts to this: that there is not sufficient protection as against the articles imported from India, and manufactured by prison labour?—Yes; imported directly or indirectly.

75. And at present the state of things does not enable you to employ any hands, and, so far as you know, there is no other manufacturer of these goods in the colony; this difficulty you say could be adjusted, in your opinion, by an increased duty of 15 per cent., making the duty 30 per cent. instead of 15 per cent. Also, you would then be able to employ a hundred hands; and, further, that in connection with the woollen ornamental goods, or fancy goods, the trade would employ ten or twelve looms?—That is so.

76. That is the whole of your evidence?—Yes.

77. In the estimate you have put in of £1 7s. for a dozen mats, have you made any allowance for wear-and-tear and machinery?—No.

78. Would 10 per cent. be a fair allowance?—Yes; it would just about cover it.

79. What would be a fair ordinary retail price?—I sell wholesale.

80. What would be a fair manufacturer's profit?—The mats I get £1 18s. for—that is, 3s. 2d. a mat; they sell for 4s. 9d. to 5s. retail.

81. Supposing you were employing labour, and had the manufacture in your own hands, what would be the rate of wages your employés would average?—From £2 to £2 10s. a week.

82. Taking it all round, how many men would you employ?—About one hundred: one-third men, one-third lads, and one-third boys. The men would earn in wages £2 10s. a week, the lads £1 to £1 5s., and the boys 10s. to 15s.

Addendum.

43, Cambridge Terrace, Wellington, 5th February, 1895.

Sir,—

I omitted to inform the Commissioners, when before them this morning, that I have been advised that all the English gaol manufactures were now sold for exportation only, their sale for consumption in the United Kingdom being strictly prohibited. This is also the system adopted in America.

I am, &c.,

E. W. Kane, Esq., Secretary, Tariff Commission. B. Danks.

(2.) Herbert Read and George Fenwick examined.

83. *The Chairman.*] What are you, Mr. Read?—Glass-bevellers.

84. How long have you been in this place?—About two and a half years in Wellington.

85. Were you in business prior to that elsewhere?—No; I served my time in England.

86. Does your firm employ other persons?—No; only our two selves.

87. Are there any other glass-bevellers in this town?—No. Before we came to the colony we understood that glass—round, square, bevelled, &c.—was admitted free, and we thought we would come under that heading.

88. I am advised the present duty is imposed under a Commissioners' decision, and is not specified in the original tariff. You say you came to the colony to enter into this business on the

understanding that the article was free?—Yes. If you turn to page 5 you will find plate-glass, polished, coloured, and other kinds, 15 per cent.; but, as it states "for fabrication of things in the colony—free," we thought that would not be taken into consideration.

89. Will you explain how that affects your industry?—We have now to compete with the transparent glass, which is admitted at the same rate as glass already manufactured. The raw material and the manufactured article are both 15 per cent., but on page 52 of the tariff you will find that some goods are admitted free, whereas we have to pay 15 per cent. to import the raw material.

90. In other words, the glass after being bevelled or prepared, comes in free?—Yes.

91. You prepare the glass, and you do not get any protection for your labour?—That is the position with regard to the small articles, and with regard to the others there is 15 per cent. on the raw material and 15 per cent. on the manufactured, so that in the larger works we are working just level with the imported.

92. What is the remedy you desire?—We would like to be able get our glass in free as raw material for the fabrication of goods in the colony, and then we would be able to compete with the imported manufactured article.

93. Would there be any way of distinguishing glass used by you other than as now distinguished in the tariff? I presume you would not ask that the whole of the plate-glass imported should be admitted free?—No, only for ourselves.

94. Glass of a certain size?—Glass for manufacture in the colony.

95. Have you anything to do with the larger-sized glass—window-glass?—We have to do with that for mirrors. We can silver any mirror up to 12ft. by 5ft.

96. Then, to get the protection you desire you would want plate-glass of different sizes imported free?—Yes, and that would not affect those who import simply to place in windows.

97. You would not gain the protection you desire unless plate-glass of different sizes were admitted free?—No.

98. Do your representations cover anything more than plate-glass?—We silver some sheet-glass, but very little. It is practically plate-glass.

99. How many persons do you employ in the industry?—Only our two selves.

100. How many persons would be employed supposing you had this duty?—We could employ about six or seven with the present amount of machinery. There are the other three centres to work on also.

101. Have you reason to think the same thing would occur in Christchurch, Auckland, and Dunedin?—I hear there is one starting in Dunedin.

102. It would mean altogether that thirty or forty persons would be employed in the colony?—Yes; that would be men, and boys would be required as well.

103. What are the wages earned in your business?—About 10s. a day.

104. What wages do boys run to?—A few shillings to start with, and they gradually increase.

105. *Mr. Hutchison.*] You never have employed any boys?—No.

106. *The Chairman.*] I suppose there is no branch in connection with your business other than those you have mentioned?—Not any.

107. *Mr. Hutchison.*] Regarding this 15 per cent. on all glass with the exception on page 53 of all plate-glass used in the manufacture of railway-lanterns and lamps?—They are brought out from the Old Country.

108. The tariff states this glass is to come in free for the purpose of being manufactured into these things. I suppose the lamps will be made here—*i.e.*, the ironwork?—I do not think there are any lamps made in the colony.

109. *Mr. Stevens.*] Cannot you make lamps in the colony?—We make the glass, as per specimen I have here.

110. *Mr. Hutchison.*] You say these lamps are not made in the colony. They come out ready made, and are merely repaired with this glass?—Yes.

111. Are you quite sure that is so?—Yes.

112. Do you do the bevelling for the Government?—We have done nothing for the Government.

113. Who does the bevelling for the Government?—The glass is brought in already bevelled. That is the kind of thing that comes in duty-free.

114. The bevelling could be done here?—Yes.

114A. Could you do everything that is done in connection with this glass that comes in free for lamps of various kinds?—We do not colour; we can bevel round, square, or oblong glass.

115. *Mr. Stevens.*] There appears to be a difficulty in distinguishing plate-glass which is imported for the purpose of being used for windows and to be used as it is imported without any extra labour being put upon it: how would you propose to distinguish the glass which you require to be exempt from duty from the glass used in plate-glass windows?—As far as I can see, you could not distinguish it at all.

Mr. Fenwick: We import a better quality of glass for silvering than is usually imported for windows.

116. *Mr. Tanner.*] Would it mean that you wish all glass to be free, provided it were not worked into shapes, or bevelled, or cut in any way?—It would not make any difference to us.

117. *Mr. Hutchison.*] Have you any objection to it being free?—No.

118. *The Chairman.*] You add to your business silvering for the manufacture into looking-glass?—Yes.

119. Which part of your business gives the largest room for development?—Bevelling.

120. Then, there is more demand for bevelling than silvering in the colony?—There is more demand for bevelled glass than for plain glass.

121. I find some of the other colonies charge a different rate for bevelled glass to that charged

for silvered: would you want a duty both on silvered and on bevelled glass?—Yes. There is very little bevelled glass that is not silvered. It generally goes together.

122. But there are cases in which it does not go together, consequently you would have to distinguish in the tariff?—Yes.

Mr. Fenwick: Only lamp-glasses come into the colony that are bevelled and not silvered.

123. *The Chairman.*] You ask that upon both silvered and bevelled glass there should be an increase of duty: by how much?—We think we ought to have another 15 per cent. Most of the Australian Colonies have 10 per cent. to 35 per cent.

124. And you want plate-glass admitted free?—Yes.

125. There is at present on silvered and bevelled glass a duty of 15 per cent.: how much do you want additional on that?—If both our requests are granted—if we get the plate-glass in free—25 per cent. would be what we would want on the silvered and bevelled—that is, 10 per cent. more than at present.

126. *Mr. Hutchison.*] Do you manage in the meantime to get sufficient work for yourselves?—No.

127. You could do more?—Yes.

128. *Mr. Tanner.*] Is your trade carried on elsewhere in the colony?—Yes. We hear there is some one starting in Dunedin, but whether he has started we cannot say.

129. *Mr. Hutchison.*] What does it amount to that you are doing?—Making mirrors.

130. Are you confined to mirrors?—Mirrors, lamp-panes, or anything of bevelled or silvered glass. There could be another branch to our business—embossing. We do a little embossing for the Manawatu Railway.

131. *Mr. Stevens.*] Do you not make lanterns as well?—We bevel the glass only.

132. Who imports them?—The big ironmongers.

133. *The Chairman.*] Supposing the Commission were to recommend an increase of the duty on silvered glass to 25 per cent., the tariff on looking-glasses (which is the same thing, with a frame around it) is 15 per cent.: would it not be necessary if that were done to increase the tariff on looking-glasses? Would it be possible to defeat the Customs by putting on a temporary frame which would not be intended to be sold?—Yes.

134. If your suggestion is to be carried out it would logically follow that the tariff on looking-glasses should be placed at the same amount, in order to guard against fraud?—Yes.

(3.) Henry Charles Jones examined.

135. *The Chairman.*] What are you, Mr. Jones?—President of the Wellington Typographical Society.

136. The Commission will be glad to hear what you wish to bring before it?—There are one or two items which I have been desired to bring before the Commission, and upon which the society desires duty or additional duty should be placed. The first item is with reference to matrices. In order that the Commission might fully understand what I mean I have brought a matrix with me. This matrix [produced] is a matrix of a page of the London *Times*, but they do not come out in this shape, simply in single columns. We find that the importation of matrices interferes very much with the trade, and we ask for a prohibitive duty.

137. You got this from London?—Yes.

137A. And these particular matrices you speak of are London productions?—I believe so. Some may be American.

138. What are sent out are, I presume, supplement matter?—Yes. They are sent to this colony, and there is no duty, so far as I am aware, on matrices at present. I believe that from one matrix twenty casts can be made. They comprise short stories and other miscellaneous matter suitable for country papers. There is a great deal of business done in Wellington with matrices.

139. By whom?—Well, I do not wish to mention names.

140. You can tell the Commission?—McKee and Gamble, of Wellington, are the principal offenders. They distribute these casts from matrices right through the colony to country newspapers. They save a great amount of composition, and that is the reason why we wish a prohibitive duty imposed. This firm, I believe, canvass for advertisements in Wellington, and they send these advertisements to the country papers. The proprietors of the country papers do not receive cash but casts in return for payment, and the firm in Wellington pockets the cash. The importation of matrices we look upon as a very serious matter, as it interferes to a very great extent with the labour of compositors, and therefore, under the circumstances, we think that we are not asking too much in appealing to the Commission to place a prohibitive duty upon them. What this duty should amount to I can hardly say. So far as we can ascertain, I believe the matrices cost the importers something like 2s. 6d. per column, and you can see yourself that when twenty casts are taken from one matrix there is a great gain upon that particular matrix. For instance, at even 2s. 6d. one matrix will bring in considerable profit by simply charging 1s., and at the same time allowing a certain amount for labour in casting, packing, &c.: there might be a gain of 700 per cent. on one column cast from one matrix alone. They are also imported in different lengths: they can be cast and then cut to suit the various columns of newspapers. I believe they are exchanged by the country newspapers. One country paper gets a supply, and after it has used it it sends it on to another country paper. This is a great obstacle in the way of proper trading, and should, we think, be put a stop to, and the only way to do this is to impose a prohibitive duty on matrices.

141. What amount of duty do you think would be prohibitive? I think you estimated the cost of the matrices at 2s. 6d. a column?—Yes.

142. What would it cost to set up a column of matter similar to that sent out in the matrix?—An average column, I should say, would cost 7s.

143. Then, the cost of the column as produced by the matrix to the newspaper proprietor is about one-third of what it would cost to set by labour here?—That is so.

144. It would therefore follow that a duty on the value should be 200 per cent. on the article imported?—That is something like it, provided the whole of the supplements were set in the colony.

145. We assume that you want to insure that the cost of production in the colony should be equal with the cost of the production of the imported article?—That is so.

146. Then, you would not gain your object of absolute prohibition without a duty of 200 per cent.?—That is so; but I think 100 per cent. might check the importation.

147. But anything less than 100 per cent. would be of no avail at all?—I really do not think it would. I might state, further, in regard to these matrices, this was tried: Boys in Wellington were put on their lines at 3d. per thousand, and the matrices were, of course, taken from the type. Casts were then taken, but at that low price (3d. a thousand) they could not do them locally as cheap as they could import them.

148. That goes to prove a little more than what you said. The cost per thousand now is about 1s. 1d.?—About 1s. on an average.

149. And boys setting at 3d. per thousand can produce cheaper?—No; they cannot produce so cheaply as you can import.

150. Taking the cost of the local production as 3 to 1—suppose you produce it at one-quarter the cost of the men's labour, surely you make the production cheaper, as one-quarter of 7s. is 1s. 9d.?—Against that you must place as charges a man's time occupied in taking a matrix and gas for heating moulds. There is a great deal more trouble in casting from the type than from the matrix, and, including the extraneous expenditure, it came to much more than the imported article from Home.

151. Taking it all round, then, at 3d. per thousand, the matter cannot be set up here so cheaply as it can be imported by matrices at 2s. 6d. per column?—No; and when the linotype becomes more popular they will send matrices out at a much cheaper rate than that, because the cost of composition will be much less than at present.

152. Is there not another point? If linotype machinery were used here the use of the matrices would go out, because the cost of production would be very much less. Supposing the newspapers had circulars only to do, and that sort of thing. They cast their matrices as they go, line for line, and then the matrix is also broken up by the machine afterwards?—Yes, I believe so.

152A. I believe these machines cost £3,000, and at present I think they are out of reach of our newspapers—with the exception of two or three—in the colony?—What I meant to infer was that they are in use at Home, and that they would be employed in setting up the matter there. I did not refer to the colony at all.

153. What you mean us to understand then is that, instead of composing in the first instance letter by letter, they would compose line by line, and, that being so, it would be possible to cast matrices much cheaper than at present?—The argument is that composition is done seven or eight times quicker by the machine than by hand-setting, and therefore must reduce the cost considerably.

154. It is quite possible that a matrix that now costs 2s. 6d. might be cast for 6d.?—Yes.

155. You assume a tax of 100 per cent. would be quite ineffectual, and that a tax of 200 per cent. is required to produce equality in value in connection with this use of matrices. Is it or is it not a fact that the matrices are used principally by the country papers?—Yes.

156. Is it not the fact that none of the leading papers—say, the Auckland *Herald*, *New Zealand Times*, *Lyttelton Times*, *Press*, *Otago Daily Times*—use these matrices?—They do not, so far as I am aware, use them at present; but the *New Zealand Mail* and *Auckland Star* proprietors did use them, but were induced to discontinue the practice at the request of the Wellington and Auckland Typographical Societies.

157. Take the second-class papers—the *Wanganui Herald*, *North Otago Times*, *Timaru Herald*, *Southland News*, and *Times*—do they use them?—I cannot specify any particular office they are used by. They are used in the Wairarapa district here.

158. Take the *Rangitikei Advocate*, the *Ashburton Guardian*, and a number of other papers of that class: do these use any of these matrices?—I am not prepared to state any particular office that uses them, but, so far as we are aware, the Typographical Conference that sat here some time ago got reports from Dunedin and Christchurch stating they were used by the country newspapers in those districts, and also in the Wairarapa district.

159. This is a question whether the importation of these matrices limits the field of labour. Is it not the fact that the cheapness of these matrices induces some country newspapers to issue extra sheets by way of supplements that they could not possibly afford to issue if they had to set them up?—That might be possible, but they are also used extensively in the outside pages.

160. In connection with the outside page, is it not the fact that the outside page, particularly the fourth, is often largely a dummy page, that advertisers do not care to advertise there, and proprietors fill it up with matter that can be thus cheaply obtained?—That is not the question with us.

161. I think it is a consideration. If you can show that labour is being injured by the importation of matrices it might be urged as a reason why a duty should be put on. Would a duty result in the employment of any more labour?—It would certainly cause that, as the space would have to be filled up.

162. *Mr. Tanner.*] Filled with hand-set type?—Certainly.

163. *Mr. Hutchison.*] What is the distinction between matrices and stereos?—The matrix is taken from the type and the stereo from the matrix. Matrices are imported from Home, and can be easily packed, and the stereo is taken from the matrix in the colony.

164. Is the Government Printing Office doing that?—The Government Printing Office has a stereo department which does all the work in this direction required by the office.

165. The matrices come out to some persons who undertake to stereotype them, but do they

come to this colony?—As the firm's name has been mentioned, I may say it is McKee and Gamble, of Wellington.

166. Do they supply the newspapers here?—Yes, the country papers.

167. *Mr. Tanner.*] They ultimately get back to the firm that issues them?—Yes; they keep the matrix, and after the stereo is returned it is melted down for fresh use.

168. *Mr. Hutchison.*] Does this firm of McKee and Gamble supply all the newspapers that use stereos in this colony?—I do not know, but I believe they supply a considerable number of papers.

169. And some will come from Australia?—That may be so, but not to my knowledge.

170. Any from England?—Yes. There are matrices like that [one produced] which come from England, and even stereos themselves.

171. *The Chairman.*] You had better tell us about them?—Stereos are not imported to any extent, as matrices have taken the place of imported stereo-work. There are numbers of stereos that come to this colony in the same way as matrices do; they come in metal. Matrices, of course, come in paper, but stereos come to the colony already cast. We also want a prohibitive duty on stereos.

172. How is the Customhouse to get hold of that particular paper?—They come out in small boxes, as far as I am aware.

173. Marked as matrices?—I do not know. They might delude the Customhouse in regard to them. It is the duty of the Customs officer to keep his eyes open respecting them. I may say that it has never come to our knowledge that there has been any extensive use of matrices by the leading papers in the colony. I think I would soon have heard about it if they did.

174. *Mr. Stevens.*] Would the imposition of a 200-per-cent. duty place the producers of these matrices on exactly an equality with the cost of setting in the colony?—An imposition of less than 200 per cent. could in no way be a prohibitive duty, or a protective duty even. We ask for a prohibitive duty.

The Chairman: A reply was given by the witness which covers the ground very much. He said, that if a duty of a certain amount were put on to equalise the cost of production, either by stereo or hand-setting, even that would not equalise the matter, inasmuch as you have to add to the cost of hand-setting the cost of lighting the offices, &c.

Mr. Stevens: I fail to see how it would give effect to Mr. Jones's request, even if desired to do so, if we added 200 per cent. We should require a great deal more than 200.

175. *Mr. Tanner.*] Is the distribution of type done by men or boys. It must take place in any case?—Just so.

176. By adult labour?—Yes; and boy-labour.

177. *Mr. Hutchison.*] You do not think anything about the poor country newspapers, Mr. Jones?—Yes, I do. I think, so far as we are concerned, the country newspapers are so blocked with boys that it is detrimental to adult labour.

178. *The Chairman.*] That is a little outside the main issue. Now, Mr. Jones, although not precisely a matter for you to consider, have you thought of the position of the Customs in this matter? It is to be assumed that, like the rest of us, you are trying to do your duty by the colony as well as by your own profession. Supposing we were to make a recommendation in the direction you suggest, how would it be possible to impose the duty? Supposing the import duty reached anything like 100 per cent., would it not lead to fraud, or to a danger of smuggling, taking place?—Speaking conscientiously, I think, undoubtedly, people would try to smuggle these matrices in.

179. In that case, I suppose there would be no possibility of charging at per column, because matrices are sent in rolls or sheets?—They are sent in single column.

180. Are matrices sent in sheet or column form?—In column form.

181. How are they invoiced?—That I do not know.

182. They will be invoiced, say, at so much per column?—I think, at 2s. 6d. per column.

183. They would therefore be charged *ad valorem*—the value as represented in the invoice?—Yes.

184. Is there anything further that has not been elicited by the questions that you would like to add to complete this part of the subject?—I think it has been ventilated pretty well.

185. Do you think that if this duty were imposed any more printers would be employed?—I think so.

186. How many?—I cannot say definitely. I think it would give employment to more adult labour. There is one thing I have omitted: Outside of country newspapers, such a publication as *Tit-bits* is also produced from matrices.

187. I think there was another question you wished to raise?—It refers to stereos. The same arguments will apply to these. We also wish a prohibitive duty placed upon the printed supplements that come out to the colony; and the arguments that apply to matrices will also apply to them.

188. Are printed supplements used largely in the colony, do you think?—I think they have been, but I think matrices have taken their place to a considerable extent. I have several other matters which I desire to bring before the Commission, and they are programmes, circulars, play-bills, theatrical and other posters, labels for presentation-books, labels and tags, show-cards, invoices and statement forms, billheads, drapers' account-books, pictorial printed posters (not lithos), chemists' and patent-medicine books, and memo. forms.

189. Such books as Mother Seigel's books?—Yes. We ask that 50 per cent. be placed upon these.

190. Do you think a duty of 25 to 30 per cent. would prevent the importation?—We want 50 per cent. more in addition to the present tariff.

191. You want the duties raised from 20 or 25 to 75 per cent.?—Yes. With regard to some of the billheads, they are sent out with an advertisement of the firm at Home attached to the head

of them. I have brought a specimen. These are presented to the local firms for the sake of the advertisement free of charge.

192. How would it be possible to assess the duty upon a thing that comes in free, or to prevent this being done?—We have come to the conclusion that it is a matter which might be left to the Commission to recommend some means whereby these billheads might be kept out. The cost of production at Home is from 4s. to 6s. per thousand, and, I take it, the Government would ascertain that, and assess the duty accordingly. At the present time this is a most serious matter.

193. *Mr. Tanner.*] Would it be possible to get at this by some regulation through the Customs that no package should be allowed to contain anything other than what it is described as containing in the invoice?—Yes; that would give means whereby it could be got at.

194. That would render everybody liable who attempted to import other matter. Is it not a tolerably well-established practice in importing patent medicines to pack quantities of printed matter in with them, which is afterwards circulated through the colony?—Yes.

195. *The Chairman.*] Do we understand you to express the opinion, or to say decidedly from your own knowledge, that this matter comes in absolutely free?—That is so. I have it from the retail dealers themselves.

196. Do you know, as a matter of fact, whether the Customs collect duties upon these billheads?—So far as I am aware, they do not. There is a duty on billheads that are invoiced, but I venture to think there are a considerable number which are imported by leading merchants because they can get them somewhat cheaper than here. We wish 50 per cent. placed on them. Then, there are printed and embossed envelopes, on which we wish 35 per cent. placed.

197. Do you mean 35 per cent. additional?—Additional in every instance.

198. Then, you want a duty on these envelopes of 60 per cent.?—Yes. We want 35 per cent. on bankers' cheques; on lithographic cards and stationery, 35 per cent.; on writing-inks of all kinds, including copying, 30 per cent.—this is a little out of our line.

199. Can any of these inks be manufactured in the colony?—Yes. We are using a locally-made ink now.

200. Taking the ordinary rate of wages, can you produce writing-ink in the colony as cheap or cheaper than the imported ink?—It is being retailed at the same price as the imported article.

201. So you want to shut out the outside article at an increased cost to the consumer?—Where an article can be manufactured in the colony, and sold as cheap as the imported article, it is desirable that encouragement should be given to local producers.

201A. So, as a matter of fact, it is only a question of loss of revenue upon what is imported?—Yes.

202. *Mr. Tanner.*] Is printing-ink manufactured in the colony?—It is writing-ink I refer to now, including copying-ink.

203. *Mr. Hutchison.*] Is ink made in Wellington?—Yes; by Meek.

204. *The Chairman.*] If these recommendations were carried out, and the duties you propose were put on, do you think it would stop the importation, and throw the trade into the hands of the local printers?—Yes, decidedly.

205. How many more persons do you imagine there would be employed?—I think, where there are now three compositors employed there would be four.

206. Have you looked up the number of compositors in the colony?—I can give them roughly, but the figures would not be exact. I should say there are over a thousand employed in the colony.

207. And two hundred and fifty would get employment who are not employed now?—That is so.

208. Is there anything you would like to add?—I think I have gone pretty well into all the items I mentioned. But I would like to ask the Commission to give careful consideration to this question of imported matrices. It is, from our point of view, a most serious question, and if a prohibitive duty is not placed upon them they will before long interfere in a most disastrous way with the legitimate trade of this colony. If matrices are allowed to come into this colony wholesale it will induce other firms to go in extensively for the business, and thus lead to a competition which will be detrimental in the extreme to the interests of a large section of workers in this young colony. The various other matters which I have brought before the Commission call for a few remarks, especially those billheads with an advertisement at the head, which are given to the tradespeople by certain Home firms for the sake of the circulation of the advertisement. All other classes of work that I have mentioned, and which bear a slight duty at present, can be checked by the additional duty asked for, and we trust, therefore, that the Commission will come to the conclusion that what we ask for is not beyond the bounds of reason.

209. *Mr. Tanner.*] *Re* matrices: did I understand you to say that twenty stereos could be taken from them?—Yes.

WEDNESDAY, 6TH FEBRUARY, 1895.

(4.) GEORGE MCWHIRTER examined.

210. *The Chairman.*] Your name is George McWhirter?—Yes. I am a currier at Petone.

211. I see you say you are deputed by the tanners and curriers of Wellington to bring before us certain matters. Are you appointed by your society?—No; I have been appointed by the men in the shops. There are only two shops in Wellington—Hirst's and Tyer's.

212. *Mr. Hutchison.*] It is the workmen you represent?—Yes.

213. *The Chairman.*] Are you requested to appear by the owners?—No; the employés.

214. What are the matters you wish to bring under the consideration of the Commission?—I will give you my last two or three years' experience of the state of our trade. I find it has been

gradually falling off. I was sent by the trade in 1892 all over the colony to inquire into the state of trade, and find out the cause of so much slackness and broken time in the shoe-leather department of our trade. I carried with me a petition that we had started in Wellington to petition the House of Representatives for redress on that part of the trade that was affected by imported leather. Everywhere I went I was received with open hands. I was told it was impossible for them to work full time in the yards and sell at a profit, which simply means that when the yards are not fully going the hands are not fully employed; and, in order to compete with the imported leather, it would be necessary to have a little extra protection from outside the colony, especially America. About three months ago the curriers in Wellington had their wages reduced from 10s. to £1 2s. per week. It is almost incredible that in some instances it is less than other parts of the colony. Now, since the tariff of 6d. was put on harness-leather, that branch of the trade has shown a considerable increase. In most shops the output is double. In Messrs. Hirst and Co.'s the increase is treble on harness-leather; while the shoe-leather is merely dressed to work away a class of hides that is not fit for profitable purposes. Kip is sold at 1s. 2d. to 1s. 6d., while you can buy East India kip from 1s. 4d. upwards, and it is more profitable to the bootmaker than our kip, for it has the offal cut off. The importers in 1888 were very careful to keep the duty off that class of goods. I may tell you there is only 1d. on East India kip, and 3d. on kip. East India kips are produced in large factories at Home, and the work is nearly all done by machinery. Our employers say that if a fair tariff was put on them it would give them a chance of importing them in the raw and tanning them in the colony. But it is impossible under present circumstances, as they have tried it. The quantity of East India kip imported is about ten times all the other curried leathers put together that are imported from England. There are two classes of goods that are imported from America that are ruinous to our trade and to the bootmakers also—buff and splits. These two classes of goods are shipped here in great quantities, and completely glut our markets. Splits are simply slices taken off the hide and dried. This is the class of leather that produces those cheap bluchers you see at boot-shop doors ticketed from 4s. 11d. per pair. To produce this class of goods and compete with the imported the employers have to sack men, and boy-labour is ruining our trade. Buff is simply the grain scraped off the hide and sold as kid to those who do not know better. American splits are sold from 8d. per pound; colonial, 10d. to 1s. 2d. American buff, from 13s. to 14s. per side; colonial, from 15s. to 17s. American buff tears like brown paper. It costs 1s. more to dress this class of goods than kip, and it has always very large sides. It is through this American buff that our employers have to ship away from the colony so many light hides that ought to be dressed here. One reason that so much imported leather is made up in the colony is that a good many of the bootmakers are compelled to work up the imported leather or the importer would not take back the boot, and sell them through the country. Year after year, as our apprentices come out of their time, some of them have to leave the trade, and try something else. Another drawback to tanning in New Zealand is that all barks have to be imported. I would propose 3d. be put on to East India kips, and buff and splits 4d.

215. You say the duty on harness-leather, 6d. a pound, has increased the trade?—Yes, by double and treble, and there has never been any grumbling from any sellers.

216. When was that imposed?—1888.

217. Then you say the duty on East India kip is only 1d.?—Yes; and the East India kip is more economical for the importer, because the offal is cut off it.

218. Do you know why East India kip is allowed in at 1d.?—The reason was the importers had such a strong power when the tariff was put on that they kept it down.

219. Does East India kip come from England?—It goes to England, is manufactured, and then comes out here.

220. You have stated very clearly your grievance. How would you have this remedied?—We propose the tariff should be raised on these articles. On East India kip to 4d. per pound, on American buffs and splits to 6d.—that is, 4d. additional. The word "buff" means several different articles; everything that has the grain off comes under the term in the tariff.

221. *Mr. Hutchison.*] Do basils come under buff?—No; only what has the grain off.

222. Have you anything to say about harness?—No; there is 6d. on that, and we are quite satisfied with it.

223. *The Chairman.*] Do you know how many persons there are employed in the trade in the colony?—Seventy-two in Wellington; seventy-one in Christchurch; in Dunedin ten years ago there were eighty, but it has fallen now to forty-seven, including Sawyer's Bay (I was there a few weeks ago); eighty-two in Auckland; and five in New Plymouth.

224. In the smaller places?—There are none in Wanganui. There was a man in Napier, but I think he has given it up.

225. What about the South Island, Timaru and Oamaru?—There was one in Timaru, but he gave it up. There is one man employed in Invercargill. Roughly, the number amounts to 277.

226. Supposing the recommendations were carried out, and the extra duties put on, what would be the effect, do you think, on the volume of trade and number of employés?—Instead of the men in Wellington being employed only nine months in the year they would be employed fully. In Christchurch it is worse. The men are employed now not more than seven months in the year, and if the tariff were raised I believe they would have ample employment all the year round.

227. Could the present number of men overtake the increased amount of work?—It would give increased employment to the boys, who, after serving their time, leave the trade.

228. Can you say what the proportion of the duty is to the value of the article. East India kip is taxed 1d. per pound. What is a fair average price for kip?—Two shillings a pound.

229. Then, the present duty means about 4½ per cent.?—Yes. It is an article we would not like to keep out of the colony altogether, because it is a good article for a certain class of boot.

230. What is a fair average price for American buff?—About 14s. per side.

231. And for a side of splits?—About 2s. a side; 10d. per pound is an average price.

232. What would be the weight of an average side of buff?—About 7lb.

233. Would it be better to make the tariff at per pound, or *ad valorem?*—At per pound is the best, as it is sold by the pound.

234. Supposing the recommendation were carried into effect, we should have apparently a duty of 1s. 6d. on split. Now, buff being, say, on an average, of 7lb. or 8lb. weight, if the duty is the same —*i.e.*, 6d.—we get 3s. 6d. upon an article of the average value of 14s.: there we have only a duty of 25 per cent. So, while there would be upon split a duty of 75 per cent., on the other hand there would be a duty of 25 per cent. on the buff?—When we come to look at it in the practical light it seems almost prohibitive to the first class of goods, but it would give us the opportunity of placing our article on the market at a fair profit, and of dressing it decently.

235. Supposing you framed a duty to keep the article out altogether, with a view to using the colonial article, it would seem you would succeed in doing so in the one case if you put a duty of 75 per cent. on the value; but 25 per cent. would not seem to be enough for the purpose in the case of the other?—Yes.

236. Why should not 25 per cent. on value keep out the imported article?—A duty of 1½d. per pound might keep it out. It is on account of the extreme cheapness we cannot compete with it.

237. *Mr. Tanner.*] Would it not be better to separate splits and buffs, and put them in at different rates?—Yes. The Americans have the advantage over us, as they have all the latest inventions to take the grain off the hide, and to prepare it for manufacturing purposes. They get a good price, and that allows them to throw the flesh side in for a mere nothing.

238. *Mr. Hutchison.*] Does this stuff come direct from America to the colony?—Yes; it mostly lands in Auckland.

239. Along with other notions?—Yes.

240. A large quantity is imported?—Tons. I have seen it sold in Auckland as low as 7d. a pound.

241. And as curriers and tanners you cannot compete against that?—No. To tan it alone it would cost more than 7d.

242. How are they able to do it so cheaply in America?—Owing to the enormous quantity produced, and the plentiful supply of birch-bark. We have to import the bark.

243. Cannot we grow bark here?—We have tried to do it. Mr. Tyer tried in the Wairarapa, but was not successful.

244. What proportion of the hands employed are boys?—There would be in each yard about ten boys. The boys in the currying are about seven or eight: five boys to twelve men in some shops. It would be about two to three.

245. You have rather a favour for this East India kip?—It can be produced here, and the machinery imported to do so.

246. If it were lessened largely in import, as there is no machinery, there would be a difficulty in getting a sufficient quantity to keep our men employed?—No. If there were a fair tariff it would give us a chance to compete with it.

247. Supposing the 4d. were put on to day you would not know anything about the duty until it was in force, and then there would be no machinery to make the article?—If the employers saw it would be put on they would at once take steps to go into it.

248. What kind of shoes does it make?—Bluchers and ordinary boots.

249. What hide is it made from?—The hide of the small native cow in India—a cow with a hump.

250. And the little cow we have is not fine enough?—No; we have not got a suitable animal.

251. You cannot get native hides?—We can import them from Calcutta. We have to import them in the raw from India and then manufacture them.

252. Then, this East India kip has no bearing upon your trade at all?—If it comes in in the raw state we could tan and curry it.

253. Is it not the fact that the leather we make is very much inferior to the leather we import? —Yes. The reason is that the leather manufactured in the colony is rushed through in making up to meet the imported article. Good leather wants time, and if it does not get time you cannot expect to get a good article. To get a good piece of leather you must fill it full of the extract of the bark. If there was a fair tariff an honest man would get the opportunity of making a good article, and if a man is not honest enough to make a good article he ought to go to the wall.

254. *Mr. Stevens.*] Have you any idea what number of hides is sent from here to Sydney, and then tanned and sent back again to New Zealand?—I have not brought the figures with me, but there is an enormous quantity shipped away in the raw, because they are light goods, and suit the climate better.

The Chairman: The statistics show a total export for 1893 of 12,973 hides.

255. *Mr. Stevens.*] Supposing the Commission recommended an increase of the duties to what you have asked for, or something near it, what effect would that have? How many of the hides now exported could be utilised in the colony?—More than one-half. In Tyer's, I have seen 1,300 to 1,500 go to the other side, when we could have used them nearly all for shoe purposes.

256. *Mr. Tanner.*] Where did you get your figures from—that the importation of East India kip exceeded the import of any other curried leather tenfold?—I took down the weight, and it was 323,760lb. for 1891–92.

257. That includes sole-leather?—Yes.

258. Do you think there is any large quantity of sole-leather introduced?—Not very much since the duty was put on.

259. Were the figures you have collected, showing the number of hands employed, gathered from personal observation?—I went through the yards myself, and took down the names.

260. Do you think the number has increased or decreased?—It has decreased.

261. Is it a fact that your trade labours under the disadvantage of a season during which work is slack?—No; we use steam when the weather is bad.

262. Do you speak now of Wellington?—All over the colony, unless in very small yards, where they cannot afford steam.

263. Is there a season when it is impossible to get work to do, owing to the slackness of orders? That comes about Christmas time as a rule. They work into stock-taking, and as soon as stock-taking is over the goods go away.

264. The total amount of lost time in the year when trade is slack is three months?—Yes; in Wellington. In Christchurch, about seven months is the working average. Such a slack time a few years ago in Wellington was unknown.

265. Is it more and more difficult year by year during the last six years to get work?—It is difficult to find work, and boys, as they go out of their time, have to leave the trade. I was in charge of Lightband, Allan, and Co.'s several years, and after I left some of the lads told me they were offered £1 10s. a week after serving six years.

266. Is it not a fact that one or two establishments have been founded since the duty of 6d. was put upon harness-leather?—I cannot say clearly, but in Kaiwarra we have had two sheds built for the express purpose of dressing harness-leather.

267. The question has been raised of the inferiority of colonial leather: would you assign the bad fleshing that is done by butchers and farmers as a rule as a reason why skins are often defective?—Yes; the colonial skins are largely ruined. That question was brought up in Glasgow when I was an apprentice, and the City Council established a large central slaughterhouse, and every animal had to be slaughtered inside that house, and immediately the skin was taken off it was cured. The only remedy would be to have the animals slaughtered in one particular spot. The barbed wire is another source of ruin to the hides, and unfits them for any purpose at all. It handicaps us terribly as against the imported articles, because out of ten hides not one has got a sound skin.

268. Does not branding ruin them?—Yes; they brand on the very best part—the rump and ribs.

269. Is it possible to eradicate these brands in tanning?—No; they are burnt through the skin, and you cannot improve it.

270. When leather of that kind is manufactured the brand comes through on the sole?—It is no use for a first-class article. You cannot put it in for sole, and it seems that some must glory in branding, because the brand is burnt right through into the very bone. It is cruelty to animals.

271. Do you think, if dairy animals were properly cared for in the way they are in the Old Country, and, above all things, skilfully fleshed, it would be an advantage to your trade in bringing out a leather which could compete on equal terms with imported leather?—We could not put it in very high-class harness.

272. You mean to say that there is no inferiority in the skin but what is due to preventible causes?—Yes. The French calf is a very fine article, and the majority is marked "fit" before being killed, and the skins are not broken.

273. Do you think the new fashion of recent years of having tanned leather as uppers has influenced your trade for good or evil?—For evil, because it has done away with the labour; but we do not look upon that as anything great. It is a fashion, and will go away in due course.

274. Do you make any tanned leather?—Both shops here do it.

275. Do you know if it is made in any other part of the colony?—I have not seen any done since I was round. It is worked up into boot-uppers, and a quantity is imported.

276. Do you know what Australia derives from it?—It only goes in as skins, and a large majority will go in as buff and splits.

277. Is any made from sheepskins?—Yes; a great deal, of common quality.

278. *Mr. Hutchison.*] Do you propose a duty on the little cow-skins that come in from India in the raw state, or do you want them free?—Free.

279. *The Chairman.*] You know something about the Indian cattle from which East India kip is made: is it a fact that there is a particular toughness in the hides of these cattle arising from the climate or other cause?—That is so. It is owing to the compactness of the animal, and that is why we do not wish to debar it altogether. It is tough and pliable.

280. Supposing 4d. extra duty were put on, would it enable us to compete with the imported article, and would we be able to make an equally good kip from colonial skins?—The one is a larger hide than the other, and is not so tough as the smaller hide, but if the duty were put on it would give us the advantage of cutting the offal off and of competing with India.

281. *Mr. Hutchison.*] You say the manufacturers having made the leather, they ought to shut up for twelve months and not sell an ounce of it, to give it time for proper tanning?—That I would not like to say. There is no necessity for it lying twelve months. The majority of colonial kip is produced in two months. Another month would make it good leather, but they cannot wait that time. With a tariff they could afford to let it lie until it was properly tanned.

282. *The Chairman.*] You have pointed out three reasons for the inferiority of most colonial skins. Is there not a fourth cause—viz., the fact that immature animals are very often killed?—Their skins, as a rule, never come to us. They are thrown away.

283. You only get the skins of full-grown beasts?—From about 3ft. and upwards.

284. You know there has been a large development in dairy farming, owing to the recent policy of the country: is it not probable that when there is a systematic system of dairy farming we shall be able to get better skins?—We would if some system were adopted whereby the Government could centralise the thing.

285. Is there any difference as regards hides of well-bred cattle? Would they make better leather?—Yes.

286. *Mr. Stevens.*] Are you aware if the skins are more branded in India than in the colonies? —No, there are very few brands on East India cattle.

287. My experience is I saw cattle branded there to all appearance a perfect landscape of brands. I have never seen them branded so much as the hump-backed cow of India. Are you aware that leather tanned in India is not equal to leather tanned in the colonies or in Great Britain on account of climatic influences and the absence of bark?—It is not so good, not having got the right bark in it.

(5.) Thomas Garland examined.

288. *The Chairman.*] What is your name?—Thomas Garland. I am a tinsmith, in Molesworth Street, Wellington.

289. How long have you followed the trade?—Seventeen years in Wellington. I wish to get tinsmiths' machinery admitted duty-free. It is now charged 20 per cent.

290. Does that cover all your tools of trade?—All kinds of machines.

291. Could that machinery be manufactured in the colony?—I have not heard of any being made here.

292. Do you know of any reason why it should not be?—It is a special trade, and there is nobody here who has had any experience in making it.

293. What is the value of the machinery that would be required in an establishment such as yours?—You can go to any length you like almost. My plant would be worth £400, including the tools.

294. How many men do you employ?—Ten men and boys.

295. What would be the value of machinery as apart from the tools for such an establishment?—About £250.

296. How many similar establishments are there in Wellington?—About five; the same in Christchurch; and I think rather more in Dunedin and Auckland.

297. This machinery appears in the tariff at 20 per cent.?—Yes; but only within the last eighteen months. It was free before that.

298. What is the ordinary life of your machinery?—Almost a lifetime.

299. Is there anything you would like to add?—I would ask that tinsmiths' furniture or fittings should be admitted free. We have now to pay 25 per cent.

300. What is the meaning of stamped tin?—Tin stamped in a press; such things as teapots, basins, &c. Prior to 1888 it was admitted free, but at that time some Dunedin tinsmiths imported some stamping machinery, and interviewed Sir Harry Atkinson, and got him to put a duty on those articles they were able to manufacture. I think it is unfair we should be called upon to pay duty on things we are not able to purchase in the colony. I should allow them the 25 per cent. on the articles that can be manufactured, and allow us the others free—those they are not making.

301. Do you wish to add anything further?—If there is any loss of revenue involved, I would suggest an increased duty on enamelled holloware, which is interfering with our trade at the present time, and would benefit us more than the extra duty we put on tinware.

302. *Mr. Hutchison.*] What is it made of?—Of iron, and enamelled.

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(6.) Sydney Philips, examined.

303. *The Chairman.*] What are you, Mr. Philips?—A commission merchant, in business in Wellington. I have been in business three and a half years.

304. What is the subject you wish to bring before the Commission?—One subject is Australian wine, which has been dealt with to some extent, according to the papers, by the Colonial Treasurer in South Australia. We are agents for the largest South Australian vineyard people—Smith and Sons, Yalumba. At present the duty on Australian wine is 5s. a gallon, and 6s. on other wines—*i.e.*, "still" wines—a difference of only 1s. a gallon.

305. Is that duty sufficient to induce the consumption of Australian wine as against other foreign wine?—It is not sufficient.

306. You contend the advantage given under the tariff is not large enough?—Yes.

307. What duty do you think is required?—That becomes a big question, as, owing to the Australian wines being so similar to the imported wine, there is no real difference made as between the two trades. If you buy a glass of Australian wine you get the same glass in size as you get of imported wine, and, if the wine could be sold by the hotelkeeper at a price he could make a decent profit, he could give a more liberal glass, and a very much better trade would be done. The imported wine now competing with Australian wine is a very low one, and less wholesome.

308. Do you contend that if the Australian wine were cheapened it would have the effect of reducing the price of the better class of other imported wine?—It would not affect other wine, but Australian wine would come more into general use, and people would get a more wholesome wine.

309. Can you give us any idea what is the relative consumption of Australian wine to other wine? —You could see that from the blue-books. My impression is that 30 or 40 per cent. of all wines imported are Australian. I find from the statistics of 1892 imported wine in wood appeared at 50,000 gallons, in bottle 15,000 gallons.

310. 76,000 gallons is given as the total imported, against 40,000 gallons Australian imported. Two-fifths of the total consumption appears to be Australian?—About it.

311. Do you think that would be increased if the duty were altered in favour of Australian wines?—Apart from the fact that there would be an increased proportion of Australian wine imported, there would be an increase probably in the number of wine-drinkers. If people could get wholesome table-wine they would drink it. Wine is sold now in hotels at 2s. 6d. to 3s. 6d. a pint

which in wine-making countries is sold at 6d. or 1s. Even if sold at 1s. and 1s. 6d. there would be an immense trade for them as against other drinks.

312. What does the present duty of 5s. represent?—10d. a quart-bottle.

313. If there were no duty at all it would make a difference of 5d. a pint?—Yes. The trade is on a false basis, and the price per bottle ought never to have been 2s. 6d. or 3s. 6d. There has never been any retail Australian-wine trade here at all. The wines are imported largely in bulk, and bottled by dealers. They ought to be sold on the present prices even at a less price, but, owing to the fact that they are placed almost on a level with imported wines in the tariff, the same conditions attach to them. I have been in all the colonies, and in Victoria and New South Wales Australian wine can be obtained for 1s. a pint-bottle.

314. Presumably, the people who sell get a profit?—It takes two gallons to a case of wine, and the price per gallon of wine of a desirable class might be roughly stated at 4s. a gallon. I am speaking strictly on the wholesale basis. Then there is the cost of bottling, which I estimate at about 4s. 6d. per dozen quarts.

315. What do you mean by a quart-bottle?—Six to the gallon.

316. *Mr. Hutchison.*] Should not ordinary trade competition result if a man is making a large profit?—It is a question whether it is a large profit; but competition will regulate all that.

317. I understand this enhanced profit is made by the hotelkeeper, and not by the importer?—It goes right through the trade to the merchant and hotelkeeper, who sells a case of wine a month where he sells thirty cases of whiskey or beer.

318. *The Chairman.*] Do you know if the trade in Australian wine is increasing or not?—Between 1892 and 1893 there was, I think, rather a falling-off; but, speaking from memory, I do not think there has been a serious difference.

319. I think you will find there has been a considerable importation, and an increase in seven years of nearly 40 per cent., the figures in 1887 being 28,000 gallons, and in 1893 40,000 gallons?—Eight years ago all these wines were not fit for consumption. It is very easy to grow vines, but not to make wine, and the production of suitable Australian wine is only a matter of late years. It is quite lately that they have arrived by experience at anything like perfection in the manufacture of wine.

320. What reduction, in your opinion, should be made in the tariff?—A small reduction, I do not think, would make any difference at all. It would be very apt to get into the pockets of the trade.

321. *Mr. Hutchison.*] You want it off altogether?—Yes, with due regard to the revenue.

322. *The Chairman.*] Supposing there were no duty—on the assumption that something like one-fifth of the retail price of the wine is represented by duty—it would follow, apparently, that what was sold at 2s. 6d. would be sold at 2s.?—I do not think that would follow. Instead of being sold at 2s. or 2s. 6d., it would be sold at 1s. 6d. and 1s. 3d., because the trade is on a false basis. The consumption of wine is an absurdly small one in comparison with that of other drinks.

323. You assume the trade would be put on a fair basis by the mere fact of taking off the duty?—It would lead very much to a good trade in a good and wholesome wine, and competition would very soon bring it in at a price that would pay, whereas the hotels do a certain amount of trade in bottled, which is not, however, a big portion of it. The trade is really done over the bar at 6d. a glass, or by grocers' licenses, or wine-merchants doing family trade. Grocers sell a dozen of claret at a price that is far below any price I have given you. 2s. 6d. a pint represents what you would have to pay if you went into any decent hotel and ordered a pint; but if you went to a grocer and ordered a case you would get it at about one-half—about £1 10s. a dozen quarts.

324. *Mr. Stevens.*] If wine were admitted free, would that affect the production of New Zealand wines in any way?—That is a question I do not know that I am qualified to answer. The present production of New Zealand wines is extremely small, and in the hands of people who do not understand it.

325. If they can get competent people in Australia they could get them here, and I am assuming they are able to make it?—If they could turn out an article equal to South Australia, then the latter would be handicapped by the cost of bringing the wine here; but Australians say the New Zealand climate and temperature, except in the far north, is against the production, and there is very little to be done in wine-growing on a large scale.

326. *Mr. Mackenzie.*] Do not you think clarets ought to be produced here, although stronger wines might not?—I do not profess expert knowledge, but I have gathered that the soil is not suitable for the extensive growth of wine, except in the far north.

327. I always understood it was the sun rather than the soil. The sun is not strong enough to make a strong fortified wine?—That is probably why they mention the "far north"; but soil is a very material matter.

328. Your experience is the New Zealand wine has not been satisfactory?—Very far from it.

329. In your opinion, is Australian wine as wholesome as the continental wine?—I think, when matured, it is more wholesome than continental wine of a quality likely to come here and be sold at a price within the reach of all. In wines approximate in price the comparison would always be in favour of Australian.

330. Do you think the public can, as a rule, get a good glass of Australian wine in an ordinary publichouse?—No; I think the trade is on a very bad basis. Neither the hotels nor retail-dealers give the business the attention it warrants, the only reason I am able to assume being the high duty exacted, instead of its being classed amongst the articles of daily consumption.

331. When the duty was increased by 1s. a gallon in 1888, do you think that affected the quantity imported?—I do not think so.

332. In considering this question we have to keep an eye on the general revenue: do you think, if we took the duty nearly all off, and reduced it to 1s. a gallon, it would create a considerable

consumption, and do away with this disadvantage the trade is labouring under? Afterwards we might put on a reasonable duty without crippling trade?—I am strongly of opinion that by reducing it to a nominal duty it would create a trade, because it would direct attention to it. It would get into capable hands, and wine-drinking would become more general. From the revenue point of view, it is a question only time would prove. In two-thirds of the hotels in Wellington to day you will find the people drinking tea at table, but if table-wines were available at low prices they would drink wine.

333. With a less duty the trade would enormously increase, but you do not know whether that trade would be recrippled by imposing a higher duty?—I am inclined to think it would not be crippled, because when once trade is established on a firm basis a reimposition of a moderate duty never affects it seriously.

334. Is not claret sold in South Australia retail at 7½d.? If we lessened the duty, do you not think that is a wine that might come in?—Yes. Cheap clarets are now shipped to Europe and come back later on as French claret. It is a wholesome wine, and used largely for blending. Very little comes here.

335. Have you had any experience in Californian wines?—Yes.

336. Do you think, in value, they are as good as Victorian wines?—Not in a mercantile sense. They will not bear comparison with Australian wines. I have had communications, myself from agents in Fr'isco, and their prices for Californian wines, by comparison with Australian, are out of all reason, and absurdly high.

337. *Mr. Tanner.*] I find a large quantity of wine is set down in the return as having been imported from Victoria and New South Wales: is that native wine, or French wine which has been re-exported to this colony?—That would pay 5s. or 6s. duty all the same. The law provides for a certificate of place of production.

338. Would we be right in assuming that the wine which is described as bottled and as bearing 6s. a gallon duty is not Australian?—Yes. The Customs are supplied with a certificate from the other colonies to the effect that the wine is grown there; otherwise it would pay 6s.

339. You have already stated you believe, if Australian wine were admitted free, it would give a stimulus to the industry here: can you give us any idea as to the price at which ordinary wine would then be sold?—At present a wine-merchant charges £1 12s. to £1 14s. a case. If there were no duty he would charge £1 2s. or £1 4s.; possibly less. Roughly speaking, it would cost him 16s. a case, and he would sell it at about £1 or £1 2s.

340. If the duty is struck off, you are satisfied the trade will be popularised?—Yes.

341. Would it be an advantage to the community to substitute wine for the frequent use of tea?—That is my opinion, and from my experience of other countries—France and Italy—I think there is less drunkenness there than anywhere else.

342. Do you think the consumption of wine in Australia has any effect on the general morality of the people as compared with countries where the working-people do not drink wine?—I cannot express any opinion on that. In California they are not a wine-drinking people at all; they drink spirits.

343. Do you know whether the native wine is largely used in South Australia among the industrial population?—I believe it is increasing rapidly there and in Victoria.

344. Does it have the effect of displacing spirits?—Yes.

345. *The Chairman.*] Supposing the duty were taken off, would there be any danger of fraud—of wines imported from Europe being sent *viâ* Australia and brought in here free?—The existing law prevents that. A certificate has to be given as to where the wine is grown.

Mr. Glasgow: A declaration of the shipper made before the Collector of Customs. The Customs do not guarantee the declaration is correct.

Witness: That is what I meant to infer. Speaking of South Australia, 99 per cent. of the trade is done by the vineyard proprietors, and not by merchants. They ship themselves, and, if the law could be perfected so that the vineyard proprietors only should be allowed to ship, they would have to satisfy the Customs at the other end that the wine was their own, and it would come right through in bond.

346. *The Chairman.*] Have you any other subject you wish to bring before the Commission, Mr. Philips?—The next subject is an important one, but in the meantime I would like to know whether it will be treated as strictly private.

347. You mean so far as regards publication of the evidence in the newspapers. We have not decided the question of what are to be the privileges of the Press, and until it is decided we have settled that the evidence is not to be printed; so you will speak under that arrangement?—As a matter of fact, it is not only that the evidence shall not be printed in the case I have in mind, but that the fact shall not be published that the Commission has been approached on the subject, or details given.

The Chairman: The feeling of the Commission is that they do not want to shut out any information that can be obtained, and there is no necessity that we should even mention the fact that the subject has been broached; but I am bound to point out to you, Mr. Philips, that whatever you say now must at some time be published, because when the Commission reports it must send in the whole of the evidence, and that evidence will be laid before the House, of course.

Witness: Personally, I have not the slightest objection to the publishing of anything I might say on the subject, but I object to its being published abroad through the cables, and to foreign people who may be interested in it, that the Commission has been approached with a view to the establishment of any industry or of anything connected with an industry.

The Chairman: Though the Commission might agree not to disclose what had taken place it would only be for the time being, because our duty is to report presently.

Mr. Mackenzie: Have we no power to consider certain evidence privileged; otherwise it seems

to me that it will place witnesses in a difficulty, and also the Commission in a difficulty. We ought to have some discretion as to information which may be given to guide us, and which it may not be desirable to publish.

The Chairman: There might possibly be evidence brought before this Commission as to frauds that are being carried out through the Customs, and which to declare would defeat its object. In that case one would think certain evidence ought not to be disclosed except to the proper authority.

Mr. Mackenzie: I think, if evidence is given in that direction, it might be well for us to learn what power and discretion we have in the matter.

Witness: The subject I want to speak about has already been before the Government to some extent, and my object in raising the point now that it should not be published is because my principals are desirous that their further action in the direction of the establishment of an industry in the colony should not be made known. Whatever may go into the report to the Government they would be only too pleased should be as full as possible; but to let it go to the papers that the Commission has been approached on this subject would not suit me at all.

Mr. Stevens: It cannot go to the papers before the middle of June, even supposing it was included in the printed evidence.

Mr. Tanner: Such evidence might be kept private, with the understanding that it is given practically under the pledge of secrecy.

(The other members of the Commission agreed.)

The Chairman: You understand, Mr. Philips, how your evidence will be treated. At first we did mention the names of witnesses, but since then we have ceased to do so. It will be stated that to-day's evidence has been given on the subject of Australian wine, but, with regard to this other subject, it will not be mentioned.

Witness: So far as Australian wine is concerned, I have not the slightest objection to anything being disclosed. Upon this other matter the Government have been approached, and have replied practically that the matter must be deferred, and that nothing will be done in the meantime. The evidence I wish to offer is practically the same as the Government have already had; but now the Commission is sitting we decided to approach it with a view to ascertaining whether anything could be done now. The matter is the establishment in New Zealand of a tobacco-factory. There is one existing successfully in nearly every other colony.

349. *The Chairman.*] Will you state to the Commission what alteration in the Customs tariff will be necessary to enable that to be done?—The present duty on leaf-tobacco for the purpose of manufacture is 2s. per pound; on the manufactured article, 3s. 6d. There is also an excise of 1s. on the former; the difference between the two being only 6d. If the duty on leaf-tobacco remained as at present, and the excise could be abolished for a limited period—say, two years—to enable the factory to be established, it would meet the position from our point of view.

350. Have you made any calculation as to the amount of employment the factory would give?—If the Commission will allow me, I will read the following extracts from correspondence:—

"*General Effect of a Tobacco-factory.*—It is scarcely possible to name any industry which offers so many and attractive features to almost any class of a community as that of the local production of, and the manufacture of, tobacco. It calls for the investment of a considerable amount of capital within the country; it affords healthful and remunerative employment to a large number of both skilled and unskilled artisans; it cheapens the working-man's smoke; it gives employment to many collateral industries, amongst which may be enumerated the mechanical engineer and machinist, the boxmaker, the printer, and all those engaged in the transport by road, rail, and water; but, above all, it stimulates the agriculturist to the profitable cultivation of tobacco-plant, for which we have every reason to believe the climate and soil are in many parts of New Zealand eminently well adapted, and it thus creates a demand for a fresh home product of the soil which at present is entirely imported from abroad. The latter important fact is amply borne out by the experience of the Australian Colonies (the detailed particulars of which will be found in Coghlan's statistics), demonstrating that the establishment of local tobacco-factories has developed into a permanent, progressive, and profitable industry for the producers of the soil. We have been informed that the experiment of a tobacco-factory has already been tried in New Zealand, but we have reason to believe that the attempt has been inadequately made, and we are convinced, with greater experience, and more ample means, and the employment of the best modern appliances, we shall be as successful in New Zealand as in the other Australian Colonies; and we are under no apprehension that the considerable capital which we propose to invest will prove unproductive.

"*Our Proposed Enterprise.*—Subject to such reasonable protection as the circumstances fairly require, and such as have been conceded in the Australian Colonies, we propose to establish, at some convenient point in New Zealand, a completely-equipped tobacco-factory of the best modern type, which will entail an expenditure for sites, building, machinery, and appliances of about £20,000. We undertake to produce well-manufactured tobacco, which will be acceptable to the consumer, and at a more moderate cost than the imported tobacco, and it shall be our duty, as well as our interest, to give every possible assistance, information, and facility, gathered from our wide experience both in Australia and America, to the farmers of New Zealand, in order to promote and stimulate the growth and proper preparation of tobacco-leaf, not only for the supply of our proposed factory with acceptable stock, but that it may in time become an important item of export.

"*Protection desired.*—The present duty on imported manufactured tobacco in New Zealand is 3s. 6d. per pound; the duty on leaf tobacco is 2s. per pound; but there is, in addition, an excise duty on tobacco manufactured from either imported or colonial leaf of 1s. per pound, thus constituting a difference of 6d. per pound in favour of the local product, which, taking into consideration the higher cost of labour, and the obvious difficulties, drawbacks, and expenses connected with the installation of a new industry, is inadequate.

"Taking, for example, the Australian Colonies, the net difference in favour of our local factory in Queensland for the first three years from the commencement of our operations in Brisbane was 1s. 6d. per pound, and is now 1s. per pound. In New South Wales the net difference was at first 2s., subsequently 1s., and is now 9d., per pound. In Victoria the net difference in favour of the local manufacturer is 1s. 6d. per pound.

"In calculating the minimum amount of protection that will be necessary for our proposed enterprise in New Zealand we have carefully borne in mind not only what will be reasonably requisite for the factory, but also that which will create the least disturbance to the existing revenue derived from the duty on imported tobacco, and we submit with all deference that the desired object will be best, most fairly, and simply obtained by a suspension of the existing excise of 1s. per pound on manufactured tobacco; this arrangement to be continued for a period of three years, until our industry is well established, and a crop of domestic leaf may be relied on, when an additional 6d. per pound could be imposed on imported leaf, both for the purpose of revenue and as a further protection in favour of home-grown tobacco.

"The above proposition is practically on the lines of our Queensland arrangement, where no excise is levied, but a protection of at first 1s. 6d., but now 1s., exists in favour of locally-manufactured tobacco. The result of this policy in Queensland has been that, whereas prior to the establishment of local factories the product of leaf was practically nil, the present annual value of the tobacco-crop amounts to about £30,000, and is steadily on the increase.

"*Excise.*—In asking for a suspension of the excise on tobacco we believe that we are not seeking for any important sacrifice of revenue on the part of your Government. Moreover, excise is not only contrary to the spirit of protection because it obviously burdens the local production of raw material, but it affords in many ways the opportunities for evasion and fraud, to the prejudice of the scrupulous manufacturers.

"There was very recently a deputation of tobacco-manufacturers to the Premier of New South Wales, to whom it was clearly demonstrated that fully 50 tons—and probably much more—of home-grown leaf was being annually manufactured into smoking-tobacco in the colony, in defraud of the excise, and to the obvious detriment of the honest manufacturers.

"But, if it is expedient to retain an excise on tobacco-leaf when manufactured into smoking-tobacco in the colony, we submit the suggestion that this may well be done without prejudice to the local growth from the soil, and for the advantage of the revenue, on the product of such leaf as cannot in all probability be grown in the colony: we refer specifically to leaf employed in the manufacture of cigarettes, which comes almost exclusively from one or two districts in America, and is being imported from thence by all manufacturers of cigarettes in the Australian Colonies, who do not find colonial tobacco suitable for this particular industry.

"*Cigarettes.*—Whilst we possess the exclusive rights to the use in Australia of one of the best cigarette-machines of modern invention, which has cost us a very high premium to acquire, and which we propose to employ in New Zealand (as in Australia) in this remunerative branch of our manufacture, we are prepared to admit, however, that this portion of our industry stands on an exceptional footing, and is susceptible of special treatment. A cigarette is not, generally speaking, the working-man's smoke; those who generally indulge in it can well afford to pay 6d. per packet, which has been, and still is, the standard retail price for imported cigarettes.

"The introduction of most ingenious labour-saving machines, almost entirely automatic in action, has enabled the local producer of cigarettes, under cover of the protection afforded to the manufacturer of plug tobacco, to produce colonial cigarettes in enormous quantities, which have been placed on the market to be retailed at 3d. per packet, which has led to a considerable increase in their consumption, largely, it is said, by youths and boys, to whom the premature use of tobacco is held to be deleterious. We would suggest, therefore, with all respect, that a substantial increase in the excise on cigarettes, which would bring this retail price back to 6d. per packet, on the colonial product, would not appreciably affect the ordinary cigarette-smoker, but it would check the consumption in a direction which is held by many to be objectionable, and it would yield back to the revenue probably more than would be taken away by the suspension of the excise on the material which can be grown in the colony.

"The present production of cigarettes in New South Wales is at the rate of sixty millions per annum, the excise on which is 2s. 6d. per pound, exclusive of the duty of 1s. per pound on the leaf.

"Allowing for the difference in population, the probable production in New Zealand may be set down at thirty millions per annum when the machinery is in full operation. An excise of 2s. 6d. per pound would yield £7,500 per annum to the revenue. This would still leave the manufacturer, distributor, and retailer a fair profit if sold to the consumer at 6d. per packet. Doubtless there would be some diminution in consumption, but the figures provide a fair margin for any probable shrinkage in this direction.

"*Conclusion.*—In order not to trespass too much on your valuable time we have refrained from entering into statistics or minute details, which, however, we shall be glad to furnish on your requesting them. We desire to say, in conclusion, however, as an indication of the importance of the industry, which we are prepared to initiate in New Zealand effectively, that in the Australian Colonies, since the first factory was established by us twenty-five years ago, there are in all about twenty-seven tobacco-manufactories in operation, which represent an aggregate investment of capital of about £900,000. They employ directly in the process of manufacturing about 1,800 hands, exclusive of the large number engaged on the land in the production of tobacco-leaf, the present annual production of which is estimated at 3,250,000lb., and is of the approximate value of £150,000.

"We desire to say we are not seeking anything in the nature of an exclusive concession or monopoly, and we have no doubt that our enterprise in New Zealand will be followed, as in the

Australian Colonies, by competitors, which will bring about further investment of capital in this colony and extended employment, besides insuring to the producers of leaf-tobacco healthy competition and a permanent and reliable market for their product."

This letter was written some months ago, and if there are any alterations in the tariff it will be subject to them.

351. What is the excise on cigarettes now?—The duty is 3s. 6d. per pound—2s. on the leaf, and 1s. 6d. excise.

352. *Mr. Stevens.*] Do you suggest an increase in the excise on cigarettes?—No. I was pointing out the difference as between imported cigarette-tobacco and plug tobacco. The cigarettes would have an immense concession, whereas tobacco would have no concession except the 6d. per pound under the existing terms. Roughly speaking, I think at least two hundred to three hundred hands would be employed in the factory. There is now a machine for making cigarettes capable of turning out millions in no time; no labour is attached to it.

353. *The Chairman.*] Do you take into account the number of persons who would be employed in tobacco-growing, or do the figures you have given represent the total employment in the whole industry?—The industry would be a vastly important one to the colony in many districts, independently of a number of people who would be employed in all sorts of ways. Up to the present the development in the manufacture of cigarettes in New Zealand has not been considerable. The American Tobacco Company (which is nearly the biggest tobacco concern in the world) have opened an office in Auckland, and practically threaten the trade that they will make cigarettes in Auckland of all popular brands, and drive the business into their own pockets entirely if they are not deferred to. I am a little biassed on that subject; but those are facts. The intention is to make the cigarettes cheap enough to command the business. The machines have closed a factory employing a great number of hands, and put a few boys in charge of the machine. One point I was asked to make quite clear. When my principals come here they will go into the question of growth, and the whole matter, not in any half-hearted way. They have ample capital, and are prepared to go into it thoroughly. They will send instructors round as they do in America to give instruction in growing the plant, and they guarantee to take everything the farmers grow. They desire no monopoly, but a reasonable chance to establish the industry.

354. Could we grow tobacco of a sufficiently good quality in this country to take the place of the imported leaf?—They say they see no reason why not; the proof is, taking Queensland, last year they grew thirty thousand pounds' worth of leaf, and it is increasing very rapidly.

355. The Queensland climate would be very much warmer than our climate?—I believe some of the States of America are not excessively warm.

356. *Mr. Stevens.*] It is about the temperature of Virginia?—At times that is hotter than you get here. One expert told me that he saw no reason at all why in parts of Auckland the finest tobacco should not be produced.

357. *The Chairman.*] What are the probabilities of locally-grown leaf taking the place of imported leaf?—The manufacturers wish is to get such locally grown, and if they do not get a good deal of local leaf the industry to some extent is a failure.

358. *Mr. Stevens.*] There was a tobacco-factory established in Auckland some time ago and tobacco-seed distributed throughout the colony: have you any idea why that did not succeed?—In the first place they had no money; then, again, it was doubtful whether the manager, as an expert, was a genuine article. It was a failure. Assuming a settler can grow tobacco, it is a difficult question if he is the only one; but if you get six or eight, and have your drying-sheds where they can take the tobacco and dry it, and where the factories can take possession of it, and give the farmers instruction, the difficulties are not believed to be great. Then you get the tobacco uniformly cured; otherwise you would have no uniformity in quality. It has been supposed, in debating this question, that the revenue would be very seriously interfered with, but I believe I am right in saying that where these factories are established in the other colonies the revenue has not suffered, although this excise has been allowed. It is asserted by local manufacturers that because a man can get a threepenny plug of tobacco of course he smokes more, and to some extent it adjusts itself, but the cheapening of tobacco to working-men has not induced any fall at all in the actual revenue.

359. *The Chairman.*] Do you think a duty of 1s. 6d. per pound on tobacco in favour of the local producer is sufficient to account for a large increase?—The establishment of a factory has not caused a diminution of revenue, and the cheapening of the article has kept the revenue stationary. We have that to guide us in the experience of three colonies where factories have been established and tobacco-growing has become a very important matter. So far as I am concerned, my principals are probably the largest and most experienced in the business. They are interested in factories on the other side; they have factories in America; and they are in every way capable of developing the growth from an agricultural point of view.

360. *Mr. McGowan.*] From your experience, knowing that this company that was established in Auckland was not a success, seeing that your company possesses capital, do you think they could not carry on under present conditions, and without the concession you require?—It is quite impossible. The duty in those days was less, I think, than it is now. My friends say in their last communication, "It would be impossible to start a factory under a smaller difference than 1s. 6d. a pound."

361. *Mr. Stevens.*] You spoke of the increase of duty on cigarettes: can you give me approximately what increase?—When I referred to that I was not suggesting an increase. I was only showing the protection that was now given to cigarettes. If cigarettes are made in New Zealand they pay duty as tobacco—viz., 3s. 6d. a pound. If they paid duty as cigarettes the revenue would receive 7s. a pound, or on the cigarette trade of the colony, say, £24,000, instead of, say, £12,000.

362. Have you calculated how it would affect the revenue?—Yes; to some extent. We can only judge by the other colonies, and it is stated that where these factories have been established (in Queensland, for instance) the revenue has shown no loss worth considering. You must bear in mind that for the first two years they made the tobacco in the colonies the colonials would not have it; they have only just now commenced to pay decent dividends.

363. *The Chairman.*] Have you seen anything of tobacco growing in Australia?—I know very little about it.

364. Is it grown most by Europeans or Chinese?—The Chinese have grown considerable quantities of it in the very hot climates.

365. Is there any danger of its falling into the hands of Chinese here?—I should not think so.

366. Is there not some prejudice on the part of the New Zealand farmer against taking it up?—My opinion about the New Zealand farmer is that he would very gladly take up anything he was going to get any money from. At present he does not get any money.

367. Do you think the present depression would make farmers willing to try the experiment?—I think, if properly handled by a man who understands the business, and they knew they could get a market for it, they would jump at the chance.

368. Is there anything in the culture of tobacco which renders Asiatics more adapted for it than Europeans?—I should say certainly not. It requires attention. I know of no reason why European labour should not be employed.

DEAR SIRS,— Wellington, 23rd March, 1895.

Thinking over our conversation of last night, *re* the establishment of the tobacco industry in New Zealand, it has just occurred to me that more than ten years ago a small portion of my old farm, "Thurlby Domain," in the Wakatipu district, was leased for a number of years to a party of Chinese for tobacco-growing which was very successful, but had to be abandoned when the farm was sold.

The tobacco plant grew beautifully, and came to perfection, and I should say fully fifty people were employed on a few acres. I think the difficulty they had to contend with was to find a market, there being no inducement offered by the Government; and I also think the Chinese were not up to the process of manufacturing. But I venture to say tobacco-growing will do well in New Zealand, and I think especially on the heavy land in the Wellington and Taranaki Districts. You will know that Germany is one of the largest exporting countries in cigars and tobacco. Of course the Government there has only placed a small duty on tobacco-leaf from Havana, which is used with the native-grown article. This, though Germany is a much colder climate than New Zealand, does well, and is a profitable branch of mixed farming.

I have no doubt our Government will grant facilities to parties embarking into manufacturing, who, with a good knowledge of the trade and with sufficient capital, ought to have a good future before them; and I feel sure it will be a great boon to many of our farmers.

Wishing your Mr. Philips a safe and pleasant passage to Australia,

I remain, &c.,

Messrs. Philips and Pike, Customhouse Quay. B. HALLENSTEIN.

(**7.**) JOHN NEWTON examined.

369. *The Chairman.*] What are you, Mr. Newton?—A soap-manufacturer and maker of soda crystals at Kaiwarra. I have been in business for forty years, nearly ten years of which has been in this colony. I employ six persons—five men and one lad. The labour element is very small in soap-manufacture.

370. What are the average wages of the men?—£2 a week.

371. For an establishment of that size, what is the required outlay in plant?—My plant is perhaps worth £1,800 and buildings £1,500. We turn out 40 tons of soap per month and 30 tons of soda crystals. I presume this information is not for publication?

372. We have not published any evidence so far, and yours will not be published in the papers if you object. It will be submitted to Parliament. What is the average value of soap per ton?—£15 10s. We make soap as low as £12 a ton and as high as £25. The value of soda crystals is £5 10s. per ton.

373. How does the present tariff affect you, and what do you propose?—If I had my way I should simply abolish all duties on articles imported from the Old Country connected with my business, either the raw material or manufactured article.

374. In connection with soap, what are the articles you require to import?—Palm-oil, which is free already; palm-nut, sometimes called "palm-kernel oil"—that comes under n.o.e., but I was mulcted in 6d. a gallon duty for it because it was a vegetable oil. Cotton-seed oil is also charged 6d. a gallon, and also cocoanut-oil. Ground-nut or "arachis" oil would, I presume, also pay 6d. Vegetable tallow, resembling cocoanut, is an East Indian production, and would also pay 6d.

375. *Mr. Mackenzie.*] Do they come in by weight, the vegetable tallow and cotton-seed oil?—They have not been imported much hitherto; only the last few years, as we find it necessary to use some of these vegetable-oils. Formerly tallow or lard was used.

376. *The Chairman.*] Is this vegetable tallow in a liquid state?—In hot countries it is. Palm-oil on the west coast of Africa is quite liquid. When it reaches England it is almost as hard as butter. Here it is as hard as butter. Then, we have caustic soda and resin, which are free. These are the articles we require in soapmaking. Essential oils as a rule are free of duty; but there is one oil we require for a cheap popular soap. It is called "terebene," and some time ago I brought in a small quantity. I contend it is an essential oil, but the Customs levied a duty upon it because it is used in medicine. In making soda crystals we only import soda-ash, or carbonate of soda. It is sometimes called "pure alkali." The duty on it is £1 a ton. Duty was charged on cotton-seed oil, because it is a vegetable oil, which is charged 6d. a gallon, but palm-oil is free. It is a vegetable oil, and why should it be free when cotton-seed oil is charged 6d.

377. *The Chairman.*] I presume it is because palm-oil has been specified and the other oils have not?

Mr. Glasgow: Yes.

Witness: The article I imported is fit only for soapmaking, and cannot be used for anything else. It is rancid in taste, while cotton-seed oil is refined for culinary purposes.

378. *The Chairman.*] What is the difference between palm-nut oil and palm-oil?—The one is oil from the fruit, the other is oil from the nut. Cocoanut-oil is subject to duty, I presume, in the

first place, because it is a vegetable oil, and, secondly, because there are two small cocoanut-oil mills in this colony. On the latter ground I would not exempt it from duty, because the people engaged in it have gone to considerable expense in plant. Ground-nut oil is a fine oil, and when drawn off is quite fit for culinary purposes; but the "settlings" is only fit for soapmaking.

379. Are there any persons in the colony who would manufacture this oil?—Not one. Candle-nut oil is free, but I am not quite certain whether that and palm-kernel oil are not the same.

380. Then the palm-nut is the candle-nut?—I think so. Candle-nut oil is free, and, being a vegetable oil, should be exempt.

381. It is specified, and therefore exempt. Should not all the others that are not specified come under the general heading of vegetable oils?—Terebene is imported for perfuming my best soap, which I sell at £25 per ton. Cleaver uses it for the same purpose. I imported it thinking it was free of duty, but it has been subject to the usual tariff. 1cwt. lasts us six months.

382. *Mr. Hutchison.*] So it is immaterial what the duty is?—It is only by watching every opportunity for saving that people can get a living. I contend it is an essential oil. It is a distillate of turpentine.

383. How many factories are there in New Zealand?—I think, about sixteen. I ask that terebene should be free, and that ground-nut oil and palm-nut oil, now bearing 6d. a gallon duty, should be free.

384. *The Chairman.*] Supposing we were to see our way to recommend in that direction, is there any way in which the Customs could distinguish between these "settlings" and the refined oil that can be used for other purposes?—A very safe basis would be to call palm-nut oil and cotton-seed oil "foots." That term applies to all these oils.

385. Have you any idea as to the quantity of goods these factories could turn out—supposing there are sixteen factories, and they are all of an average capacity with your own?—That is a wrong basis to take, because of the sixteen makers there are perhaps only four or five of the same extent as mine.

386. Can you give us an idea of the quantity likely to be affected?—At present palm-kernel oil, cotton-seed oil, and ground-nut oil are hardly used by any soapmaker in the colony. The principal ingredients are resin, tallow, soda, and water; but of late years the introduction of "Sunlight" soap has revolutionised the trade. That soap is made entirely from vegetable oil. So far no one in the colony makes soap on the same lines as this, but I find I shall be compelled to make soap to compete with the "Sunlight." To do so certain vegetable oils are required which form the component parts.

387. What quantity of these several oils would you import supposing they were free?—Placing my present sales at 40 tons of soap per month, in those 40 tons there would be nearly 5 tons of oils, or 60 tons a year.

388. How many gallons go to the ton?—You might reckon twelve to the hundredweight.

388A. Fifteen thousand gallons in the year, the duty on which would be £375 10s.?—Yes.

389. There would be no danger of any person using the oil for other purposes?—No; if it were brought in under the name of "oil foots."

390. *Mr. Hutchison.*] Your suggestion would not get rid of the danger of the Customs being cheated by calling it "foots"?—If people found they were free they might bring it in as cotton-seed oil, but the difference in the tariff would be so great between "foots" and oil that they would import it as "foots." The "foots" are pressed with hydraulic presses, and treated with acids, and it is absurd to think that the article could be used for any other purpose.

391. To meet your views would practically entail a loss to the revenue. Would that be compensated for by increased employment?—Yes; I would require to employ more men.

392. *Mr. Stevens.*] You have six now, and you would employ eight—about a half more?—We have at present six hands turning out 40 tons of soap per month, and we require as much labour, especially boy-labour, to turn out 10 tons of that soap, because after the soap is made it has to be made up, stamped, wrapped in printed papers, &c.

393. *The Chairman.*] It would practically increase labour by 25 per cent.?—Yes; and not only that, but I am at present completing a contract with a Dunedin firm for boxes, which will amount to about £40.

394. *Mr. Hutchison.*] Is not the 5s. duty on imported soap sufficient protection?—That was done to give assistance to local soapmakers; but the soapmaker never thinks of it, and it never enters into his dreams by night or day. The makers here are perfectly competent to make soap without the 5s. a ton. We get no benefit from the duty. He has to pay so much for his raw material, and he finds then that, with the cost of the labour, it means only a bare living. If I were the only soapmaker in the colony I would put that 5s. into my pocket; but, with the other soapmakers in the colony, competition comes in, and it becomes a question of who can make the soap cheaply. We never think of the duty, and it might just as well not be in existence at all.

395. *Mr. McGowan.*] Do not the makers combine in the soap trade, as they do in the candle trade?—I admit the latter do, very much to the disgust of the colony.

396. *Mr. Hutchison.*] There is no syndicate?—Yes; I am a shareholder in it, and, in fact, started it.

397. Do these oils really improve the soap?—They do not.

398. Why do you want us to encourage an article from which no improvement is to be got?—There is an enormous demand for these soaps in the colony. People here are not so thrifty as the Belgians or Scotch. People want the "Sunlight" soap, and it sells simply because it is advertised. Advertising has brought this firm into existence. When I left Scotland I had never heard of them; now they are the biggest firm in the world.

399. Is there a duty on this caustic soda?—That is free, and also resin.

400. Does the resin come from other places than America?—Only America. During the American war we drew our supplies from France, but it did not compare favourably with the American, which has a peculiar fragrant odour.

401. *Mr. McGowan.*] Why was it that the locally-made soda crystals at the first (they are

getting some better ones now) were not equal to the imported?—That is a statement I do not admit.

402. It is a true allegation?—Chemically they are the same. The difference between the English article and the locally-made one is that one is made in New Zealand and the other in England.

403. In many cases it was more like alum than soda crystal. It would not dissolve so readily?—I have been making soda crystals many years, and we are increasing our business every year, and we can hold our own against the English article. The local article is exactly the same chemically, and hardly any others are imported at all.

404. *Mr. Tanner.*] With regard to the oil you describe as "foots," or "settlings," if that were imported into the colony, would it be possible to put it through the process you describe and obtain from it a refined oil?—No; it has already been refined, and run out. Take cotton-seed oil, the seed is heated, ground in a mill, and pressed; finally the oil comes away, and what is left is treated with acids and pressed, but it is the "foot" that is left, and is totally unfit for the original purpose the oil is fitted for.

405. You spoke of fancy soap as a disturbing element in the soap trade. Is the importation increasing?—I think it is. A considerable quantity is imported, and Turnbull told me the sale is very large, and increasing steadily.

406. Take ordinary common soap: is it not a fact that the colony supplies all its own requirements?—Yes; that is one reason why we are independent of the duty. The makers in the colony are quite able to supply the whole colony; and if we had a free port in Australia we could send soap there, and fight the English article.

407. Is it a fact that a large quantity of soap is exported yearly from New Zealand?—It is not a fact. A little may be sent to the South Sea Islands, chiefly blue-mottled soap, the principal constituent of which is cocoanut-oil, made by firms in Auckland—Warnock Brothers and another company.

408. In a few words, you are fairly-well satisfied with the present position of soapmaking, which is an expanding industry, and affords steady reliable employment, providing you can get the material on better conditions?—Yes; certain oils, which would enable me to compete with the English soap. I cannot import on present conditions.

409. *Mr. McGowan.*] Do you think that the present duty on "Sunlight" soap is not sufficient protection?—It is quite sufficient. The material of which that soap is made is free in the Old Country, but I am taxed.

410. But they are taxed on their side. Cannot you compete favourably apart from that?—No; labour is quite different. Salt is five times the price; it costs from £2 10s. the ton, and my last contract in Glasgow was 12s. a ton landed on the wharf. Everything is cheaper in the Old Country which is used in soapmaking; and to attempt to make certain soaps, unless the articles used are free from duty, is useless. Every ton of that "Sunlight" soap which is sold means a ton of soap out of the hands of the makers here.

(8.) A. E. Kernot examined.

Witness: I presume the evidence I have to offer will not be published?

411. *The Chairman.*] No. We are not publishing the evidence at all. You appear in connection with the subject of wax vestas?—Yes. I am an importer in business in Wellington, in this colony, six years.

412. Will you state how the tariff affects you, and what suggestions you have to make?—I thought it would be well to bring before you the question of the duty on wax vestas from the revenue point of view. The present revenue derived is £16,300 odd; but a firm have commenced the manufacture of vestas in Wellington. They require in this industry no skilled labour, but employed in it are fifty-eight girls. These girls earn from 6s. to 9s. a week. One man draws about £2 5s. a week; and there are four boys at 6s. The total wages paid is from £1,380 to £1,580 per annum, and the total amount of duty payable by the local manufactory will not be more than £500.

413. Payable on what?—On the raw material—stearine. Wages, say, £1,400, duty £500, leaving a difference of about £14,400 between the amount now collected in duty and the amount disbursed by this company in wages and duty. That amount the colony will lose if the locally-made matches come into general consumption, and the advantages derived are merely the small amounts collected in duty and paid in wages.

414. Do you say this factory is capable of turning out enough matches to do away with the whole of those imported?—Comfortably, and with the expenditure of very few pounds.

415. With the number of hands mentioned?—With a very small increase of hands. As a matter of fact, the import of matches has totally ceased on account of the starting of this factory. They have been competing since November.

416. *Mr. Hutchison.*] You propose that we should stop the manufacture?—The present price of matches in England is 2s. 4d. a gross, and the duty here is 1s. 4d. The local factory charges 3s. 8d., and therefore it is just slightly under the Home article. The company pockets the whole duty, as matches cost 4s. landed here.

417. *The Chairman.*] You say the local manufacturer can produce it at that price?—At a selling-price of 3s. 8d.

418. It follows you will shut out the Home article at once?—Yes, and you get no advantage except the amount of wages. The work is all done by machinery, and the revenue loses £16,000 in duty.

419. Your contention is that the colony practically gives £16,000 to get £1,600?—Yes, and subsidises a factory that employs no labour, but only girls. A further argument against the industry is that it is notoriously dangerous to health. Phosphorus poisoning sets in.

420. Is not there a way to stop that?—No; dozens of ways have been put forward, but statistics show it is as plentiful as ever.

421. Is that what we call "phossy jaw"?—Yes.

422. Is there any amongst the employés here?—No; they have not had time to develop it.

423. Is there not another factory started, or proposed to be started, in Dunedin?—Yes; but it is only a small one. I do not think their wages list would come to £500 a year. They are only making one class of vestas. Even the material for the boxes is being imported ready to put together.

424. Does the factory here make its own boxes?—Yes; but they import everything else—their printed matter, and in fact everything that can be imported without any payment of duty. They simply get the whole benefit of your tariff. It is not a local factory, but the whole of that money goes into a London company. The proprietors are an English company, and they propose to have no resident representative in New Zealand.

425. *Mr. Tanner.*] You stated the present duty on matches is 1s. 4d. Is it not a varying duty?—Yes; the tin boxes pay 5s. 6d. per gross of boxes—nearly ½d. per box duty.

426. *The Chairman.*] I understand you propose that this inequality should be removed at once?—Yes, because the present duties were put on some time ago, when a small factory was being established in Dunedin. That collapsed, and the duty on matches is from 25 per cent. higher than in Victoria. Bell's have started a factory in Victoria, where there is only 1s. duty. Here we have 1s. 4d.

427. Do you think a lower rate of duty would still enable the local factory to pay?—I think so.

428. What amount of reduction on the present rate of duty will have to be made—*i.e.*, to make it effectual?—I can hardly give you a definite answer on the spur of the moment. I shall be pleased to send it in.

429. If you could tell us the amount of profit per cent. these people make upon the manufacture after paying expenses we could answer the question for you?—I could approximate that.

430. *Mr. Hutchison.*] What is the name of this Wellington firm?—R. Bell and Co. It has no connection with Bryant and Bell, or Bell and Black, simply the firm of R. Bell and Co.

431. Did I understand you to say that these fifty-eight girls are paid at the rate of 6s. to 9s. a week?—There are fourteen receiving 6s. a week. It is notoriously the worst-paid industry in the world, and only a very bad class of labour goes into it. The size of the building here is, I should say, about 50ft. by 15ft.

432. *Mr. Tanner.*] Have you made Mr. Tregear acquainted with these facts?—No.

433. *Mr. Hutchison.*] I shall move after this sitting that it be brought under the notice of the Labour Department. Why do you object to your evidence being published now?—My business is a very general one, and it might arouse personal feeling on the part of those merchants who had made large contracts for the particular lines given. It would be inadvisable for me to be mixed up with people who are doing a large business with me in this direction. I prefer that it be not published for the moment.

434. The facts you have given us will obtain wide publicity provided they get known?—The figures I have given you the Factory Inspector will have, and any inaccuracy in my statement will be corrected at once.

435. *The Chairman.*] What do you think the duty should be?—The duty, I consider, should be as follows: Plaids, 8d. per gross of boxes; No. 4 squares, 2s. 8d. per gross of boxes; No. 10s, 2s. 8d. for first 200 vestas, after that 8d. per 100 vestas contained in the box.

(9.) J. Lachmann examined.

436. *The Chairman.*] What are you Mr. Lachmann?—Manager here for P. Hayman and Co., general importers. We are the sole agents in New Zealand for Bryant and Bell's and Bell and Black's vestas. I agree with what Mr. Kernot has said, and I think this little factory ought never to have had the support of the Government. It will take the whole of our trade, and do very little good to the general public. The wholesale price of Bryant and Bell's vestas landed here is 3s. 11d. to 4s. 1d. per gross, according to the quantity imported, inclusive of everything, duty and c.i.f. This vesta is sold in the market here for 6d. to 1s. a dozen, and if this factory is kept on the Government will simply lose some £14,000 per annum in duty, and gain the eternal support of perhaps half-a score of children. Mr. Kernot's figures are perfectly reliable, and I consider the only way to stop this monopoly of R. Bell and Co. is to reduce the duties all round. I had a hand in fixing the last duties. At that time the country was in want of money, and I helped the Government to make money.

437. What reduction would you propose?—At the very least to about 8d. a gross for "plaids" and 2s. 6d. a gross for "squares," No. 4. The No. 10s should contain 850 vestas, but since the Government placed on a duty of 5s. 6d. a gross for the first 200 and 2s. 9d. every additional 100 we have been obliged to put false bottoms in the boxes in order to make it pay. The present duty is too much, and I should suggest 2s. 6d. for the first hundred, and 8d. per hundred on any subsequent hundred. I think it would be advisable to make it *ad valorem*, because Mr. Kernot, who represents a Belgium firm, can bring matches in far and away cheaper than we can the English match. I should keep the present duty on wooden matches, because they are not made here. The Customs have made the following concession to the local factory—they are importing the paper boxes for nothing, and I fail to see why they should not pay tariff.

438. *Mr. Hutchison.*] What should they be charged under?—Paper boxes.

439. *The Chairman.*] What would you propose?—I leave that to you. I wish to point out that they have a concession in getting them in free.

440. Do you know what they cost at Home?—I do not know exactly, but their boxes are brought in free of charge, filled with colonial matches, and on the back is put on "R. Bell and Co., London." I have taken this parcel of matches [produced] out of a case of R. Bell's locally-manufactured vestas.

441. How do these match-boxes arrive?—I will refer you to Mr. Glasgow. I have to pay 20 per cent. on jewellers' boxes.

Mr. Glasgow: There is no heading in the tariff under which they could be charged.

442. *Mr. Mackenzie.*] Complaint is made that only 6s. a week is paid to these girls?—It would be interesting to know whether the Belgium makers pay any more than 6s. a week for the labour they employ there?—I am perfectly ignorant on that matter.

Mr. Kernot: It is the same in all those industries. Wages are constantly coming down. The Belgian matches are very much cheaper than the English.

(**10.**) WILLIAM CLIFFE examined.

443. *The Chairman.*] What are you Mr. Cliffe?—A boilermaker and iron-ship builder. I have followed the trade for fifteen years and a half in this colony, and I am here to represent the Boilermakers' and Iron-ship Builders' Society of Wellington.

444. Are you an officer of the society?—No, just a delegate.

445. How many operatives does your society contain?—Thirty-three working members. We have a branch society in Christchurch, but I cannot tell you the number of its members. There was also a branch in Dunedin, but not now. We are affiliated to the Trades Council, and under the same rules practically. There are a few in the trade outside the society in Auckland, Napier, Wanganui, and Dunedin.

446. You have come before the Commission for the purpose of representing certain matters in which all these employés are interested: will you state what they are?—According to the tariff boilers, both land and marine, are charged 20 per cent. *ad valorem,* but, although there is this duty we find that a number of boilers come in free under other headings—viz., portable and traction-engine boilers, and boilers for creameries. We also consider that the duty of 20 per cent. is too small.

447. Are land and marine boilers imported to any extent?—A great number have been imported under the duty, and it is likely to continue. All such boilers can be manufactured in the colony.

448. Is the article imported imported at a cost, including the duty, of less than the cost of manufacture here?—The imported article could be made here equally as cheap, or even cheaper. We have proved that. Luke and Sons have manufactured creamery boilers at less than the cost of importing them. The same applies to Lancashire boilers manufactured by Cable and Co. Not only here, but in Auckland, where I served my time, all these boilers, Lancashire and marine, have been made more cheaply than the imported.

449. Can you account for a state of things like that?—It is not the market that is dearer. They pay perhaps a little less for a boiler at Home than they do here, but the commission of the middle man, who imports the article, is the main cause. It pays the agent to send Home because he gets his commission, whereas if this commission were added to the price of the boiler here it could be obtained cheaper than to import it.

450. *Mr. Hutchison.*] Is it not the case that the boiler is cheapened to the producer?—Not in that way.

451. How do you prove it?—Luke has made boilers here for the creameries cheaper than what they could import them for from the Old Country.

452. That is only one side of the case. If these creameries could have bought the boilers cheaper they would have gone into the cheapest market?—I do not know whether that has been proved.

453. *Mr. McGowan.*] You know some of these have combined engine and boiler. Take the traction-engines, and the question arises whether such engines can be made as cheaply here as in the Old Country?—As for the engine, I could not give an opinion, because I am not connected with the trade.

454. I presume you would be prepared to contend that if steps were taken to make the English article more expensive than the local one the producer would not suffer by the exclusion of the imported article?—He would not suffer.

455. *The Chairman.*] How much additional duty would be necessary to bring about that position?—We consider the present duty should be doubled—that is, raised to 40 per cent.; some think higher. We contend that traction- and portable-engine boilers can be made here just as well as being imported. I am not prepared to answer the question of engines.

456. Supposing this extra duty were put on, what would be the effect, do you think, on your industry?—There would be more employment for our men, two-thirds of whom have been walking about a considerable time.

457. It would be safe to say 100 would cover the number of men in your trade in the whole country?—There are 150 boilermakers in the colony.

458. *Mr. Mackenzie.*] Two-thirds of them are idle?—Yes.

459. *Mr. Tanner.*] Would this number of men be sufficient to overtake the whole of the work, or would the amount of employment stop there?—More men would not be required, barring apprentices.

460. But they are counted in the staff of employés now?—Yes.

461. *Mr. Hutchison.*] The witness means the revival of trade would lead to lads going in to learn the trade?—Yes.

462. *The Chairman.*] What are boilermakers' wages, on the average?—The standing wage for the Wellington-Christchurch society is 10s. per day; in Auckland and Dunedin, 8s. to 10s. The Government pay boilermakers in Christchurch 9s. a day.

463. *Mr. Hutchison.*] Do you let your Wellington men take 9s.?—No.

464. Then, there are none of your men in the Government employment?—There are, I believe, some who have left the society in Christchurch through that same thing; but in Wellington none of our men are working for that money. At Petone they pay 10s. a day.

465. *Mr. Tanner.*] You refer to Addington Workshops?—Yes.

466. *Mr. Hutchison.*] What is the price of a boiler?—A Lancashire boiler, 33ft. by 5ft.

diameter, would cost about £550—average multitubular boiler. They range from £75 to £230, according to description.

467. *Mr. Stevens.*] If a duty of 40 per cent. were imposed upon portable boilers for traction-engines, do you think that would in any way increase the number of boilers made in the colony?—According to what has been imported in the past the demand is pretty well met. We want to prevent them coming in for the future. We give them ten years' life.

468. These boilers and engines are one and the same thing, and are made in the same establishment; therefore, by the imposition of a duty it would make these people pay a tax upon what they use for agricultural purposes, and would not in any way remedy the difficulty under which you labour, because such engines could not be made here?—The engines could be manufactured in the colony, and engines have been manufactured here. There is nothing about a traction-engine different to a locomotive. Scott, of Christchurch, manufactured ten locomotives for the Government; and I believe if more encouragement had been given the thing would have gone on very well indeed.

469. *The Chairman.*] In that case, did Scott's people manufacture the boilers as well?—Yes.

470. *Mr. Stevens.*] Do you not think the principal reason why people purchase boilers and engines combined out of the colony instead of having them made locally is because they can order a boiler by cablegram from London and have it sent out here in two months, whereas if ordered locally the boiler in question might take three to five months to construct; or in some cases they might be lying in stock here, and, as a rule, a man who wants a traction-engine does not make up his mind six months before he wants it, and therefore he gets the article that is ready at hand?—That is one great reason; but you must look at it from another point: If this particular line had been protected in New Zealand years ago we should certainly have had works to supply them. But in the absence of proper protection we have had to send Home. Agricultural implements are being manufactured in Christchurch and Dunedin, where encouragement has been given, and they compare very favourably with the imported article. The locomotive boilers made by Scott Brothers in Christchurch were made by a man who served his time in Wellington. I am a colonial, have served my time in the colony, and have never been out of it; and it is a matter of patriotism to me to see these things made in the colony.

471. *Mr. McGowan.*] Have you heard the foundry-owners' objections to making these things—namely, that the orders for machinery of this kind are comparatively few, and they could not devote the same time and attention to it that can be devoted to the manufacture of the same machines in the Old Country?—No, I have not; but I find that those manufactured locally are far superior in workmanship to the imported article, the reason being that in the colony an inspector is employed to overlook the work, and it must be carried out according to plans and specifications.

472. *Mr. Mackenzie.*] Do you know how many boilers are made annually in New Zealand?—I cannot say; but, according to the number made in Wellington, there have not been many made during the last twelve months.

473. Did Victoria supply her own demands for boilers after protection was put on?—To a great extent. From information I have received, there was more work done.

474. *Mr. Tanner.*] Can you give us any information as to the number of boilers imported into the colony: is it increasing or decreasing?—There have been a number landed in Wellington, and also a number transhipped here. There has been as much ironwork and boilers landed on Wellington wharf during the last twelve months as would keep every boilermaker in this colony in work.

475. Do you think there are more imported than there were six years ago?—Of a particular kind there are—namely, Tangye's creamery boilers.

476. I am speaking of those which are dutiable. Creamery boilers, along with agricultural and other machinery, come in free?—That is so.

477. Do you think work in your trade is increasing or decreasing?—I think it is decreasing very much indeed. There are less hands employed and less money earned in making marine boilers. I have only averaged £1 7s. a week wages during the last year, and there are numbers that have not received that.

478. Do the local bodies—such as Harbour Boards—show any preference for local industry, or do they send Home?—The Wellington Harbour Board has shown its preference for local industry in the manufacture of eleven hydraulic cranes. They imported some cranes from the Old Country, and then called for tenders locally for eleven. Luke and Sons turned them out in first-class style, and superior to the imported article.

479. Do you recollect Anderson, of Lyttelton, tendering to build the Timaru Harbour Board a steam-dredge?—I do.

480. Do you remember that the Timaru Harbour Board finally decided to send Home?—Yes.

481. And the total cost was more than Anderson's tender was?—Yes.

482. And at that time a large number of men in your society were walking about idle?—I remember the circumstance, and took a note of it.

483. *The Chairman.*] Supposing all these boilers were made in the colony, or the tariff were altered to induce that, are there sufficient machinery and appliances in the colony now to enable the work to be done?—Yes.

484. *Mr. Hutchison.*] I suppose you boilermakers could not work at ordinary foundry-work?—Yes; those who could get it to do.

485. You could do work in the smithy?—Yes.

486. Then, there is not work even at that?—No.

487. *Mr. Mackenzie.*] I suppose there is no chance of your competing in regard to creamery boilers until the duty is put on?—No.

488. If a duty were put on, do you think the local competition would enable you to supply them as cheaply as they are supplied now?—Yes.

489. *The Chairman.*] Of course, boilers are sometimes required to replace old ones in existing engines: in such cases are they imported or made here?—They have been imported. Even marine boilers have been imported. I recollect twelve years ago putting a large boiler together for

the "Macgregor," in Auckland, and belonging to the Northern Steamship Company. That boiler was imported in sections and put together here, while a boiler of the same size was made in the same shop just before.

490. In case of an accident happening to the boiler of a very large steamer, would you be able to fit her with a boiler in this colony, irrespective of size?—Yes; but there is a likelihood of boilers being imported from the Old Country. There are a number of steamers with boilers just about done, and I am quite certain these new boilers will not be made in the colony, although they could be made here as cheaply as the imported ones.

491. *Mr. Hutchison.*] Why are you so sure?—I have seen it done before.

492. The Union Company are very anxious to employ local industry?—They employ a large number of hands, but with regard to local industry I cannot answer you, because I have not seen anything manufactured here for them except small donkey boilers and tanks.

493. Have they never fitted up a steamer here with a boiler?—Yes; but the boiler was sent out from Home—the boiler for the "Wakatipu."

494. Ordinary boilers of every description and size can be made in the colony as cheaply as they can be imported?—Yes; except the boilers referred to by Mr. McGowan—boilers they require special machinery for, and made off blocks and patterns. All these blocks and patterns could be made here, but they have to be sent out first.

495. *Mr. Tanner.*] Did you say you had worked in Scotts', Christchurch?—No; with Anderson, in Lyttelton.

496. You know when Scotts made the ten locomotives you refer to certain concessions were made them, and you will perhaps remember that they imported a lot of valuable machinery to assist them in the work they had undertaken?—Yes; I believe it is at Lyttelton at the present time.

497. I heard a statement a short time ago to the effect that that machinery had never been used since. Do you know if that is correct?—That is quite true.

498. Because they received no further orders in that line?—Yes.

499. And the machines were special machines for a special purpose?—Yes.

500. Does not that have a discouraging effect on any employer?—Certainly it does. I believe they undertook the contract with the promise that they would receive further orders.

501. *Mr. Mackenzie.*] What was the quality of those boilers?—Very good.

502. *The Chairman.*] Now, the next point?—The next question is that of iron-bridge work. The duty on this is 20 per cent. *ad valorem*, and, as there is every likelihood of a large number of bridges being built in this colony, we thought it advisable to bring this matter before you. We contend 20 per cent. is not sufficient.

Mr. Glasgow: There was none imported in 1893.

503. *The Chairman.*] This is a prospective grievance?—We are looking at what has been going on.

504. You expect a possible importation in the future?—Yes.

505. What is your wish in regard to this?—We would like to see the duty made 35 per cent., an increase of 15 per cent. An outside contractor might possibly get the work, and, not having machinery himself, might import his material, and land it in the colony as finished work. We are not against the raw material coming in, but we want it worked up in the colony.

506. *Mr. Tanner.*] You ask for this as a deterrent?—Yes.

507. *The Chairman.*] Can all that material be manufactured in the colony?—Yes.

508. Cylinders of the size used in the bridges?—Yes.

509. Girders, and all those things?—Yes. I do not mean the raw material—the iron—but the made-up material. The iron must be imported.

510. Could it be manufactured as cheaply as it could be imported?—Yes, there is proof of that in the various bridges put up by the local firms.

511. Why, then, is there any necessity for putting on an increased duty?—Outside contractors might come in who would not have the machinery to manufacture the bridges, and they might get the work done somewhere else at a lower price.

512. *Mr. Tanner.*] Have the Government of late years given any large iron-bridge job to a contractor outside the colony?—I could not enumerate one. As far as I know, they have been given in the colony.

512A. *The Chairman.*] You remarked that this outside contractor might go to the cheapest market?—To Germany, where labour is at a discount. He might get the material cheaper there than in the Old Country.

513. You mean than from the United Kingdom?—As far as labour is concerned, they could import cheaper from Germany.

513A. Supposing you had to find this bridge-work; if you had a contract, and had the choice of buying from the manufacturer here or in Germany, would you go to the cheapest market?—If I consulted my own feelings I cannot say I would conscientiously do it.

514. I want to know whether your previous replies refer only to the United Kingdom or Germany?—I did not say the contractor would import it himself. My desire is to put on the duty, in order to prevent it being imported from outside.

515. *Mr. Tanner.*] You would shut out the possibility of any foreign competition in doing this work?—Yes.

516. If all iron were subject to this duty of 35 per cent. it would cover such iron as angle-iron, flat-iron, and rod-iron, which would be considered raw material?—Yes, and would come in free.

517. Iron is required for bridges in various shapes, involving bending: can that be done in the colony?—Yes.

518. *Mr. Mackenzie.*] Is it not the case that nearly all the ironworkers here tender themselves for bridge-works?—The Wellington firms have not done so, but they could go in for it.

519. *The Chairman.*] What is the next matter?—With regard to iron rivets, which come in duty-free. This is an industry which could be fostered in the colony, and would be the means of

employing a number of men. One man I know went to a certain firm in this town and offered to manufacture rivets here for the firm if the firm would supply him with the rod-iron and pay him the same price as the importer paid the firm in the Old Country if they would supply the trade at less than the price they were importing them. The answer he got was, they could not do so on account of importing the plate-iron from a particular firm.

520. Is it a fact that the firm at Home would not sell plate-iron to any one out here without selling the rivets?—It seems so from what the importer said to this party. Those are his words.

521. You ask for a duty on rivets?—We consider a duty of 20 per cent. would encourage trade.

522. Do you think with that duty an industry in the manufacture of rivets would spring up?—We do.

523. There is a large consumption of rivets?—A very large one.

524. Would it employ a good many men?—Yes.

525. Have you looked up the value of the rivets imported into the colony?—No.

526. Would last year's statistics give you any idea of the number of men that would be required to make these rivets?—Yes.

527. Well, the total value last year was a fraction under £2,390?—If they had a machine the same as they have in Addington it would require three men to produce rivets to that value. They could turn out some thousands a day. With an "Oliver" six men could be employed; with a machine, two men and a boy.

528. *Mr. Hutchison.*] Would that supply the whole colony?—Yes. The next point is in regard to steamers, which are admitted in sections free.

529. *The Chairman.*] What is the tonnage of the vessels that are brought out in sections?—About 70 tons.

530. Up to what size would it be possible to bring them out in sections?—Up to 150 tons; but a steamer of that size could sail out.

531. A vessel of that size they could bring out freight and pay a part of her cost?—She would not be able to carry enough coal. Some years ago we built the "Rose Casey" in Auckland, and at that time the Northern Steamship Company sent Home for the "Glenelg," but the local boat proved a far superior vessel to the "Glenelg," and the cost of sending Home for the latter and bringing her out came to more than they could have built her in Auckland for.

532. Have you heard of any vessels being brought out in parts?—During the last year or two there have been a few small ones, principally river-boats.

533. *Mr. Tanner.*] Was the Timaru Harbour Board dredge last year brought out in sections?—No, entire.

534. *The Chairman.*] What rate of duty do you want put on vessels in sections?—We think 35 per cent. should be placed upon them.

535. *Mr. Tanner.*] Of course, there is a good deal of ironwork imported that does not fall into your particular trade—such as ridging, guttering, and galvanised iron?—Yes. I believe you will have a delegation from the engineers also, who will back us up, and in all probability a representative from the branch society in Christchurch. I believe the Hon. Mr. Jenkinson is one of our representatives, and I think he will corroborate what I have said.

536. *The Chairman.*] Is there anything you would like to add?—I believe some of the boilers and engines imported into the colony, such as the Tangyes, are patented. Can we not put any duty upon a patent article?

The Chairman: Yes, certainly. The fact of a thing being under a patent does not affect the question of the tariff at all.

Witness: With regard to locomotive boilers, we received an assurance from the Hon. Mr. Ballance and Mr. Seddon that they would not import any more boilers, and they have not done so, but the Manawatu Railway Company have.

537. *Mr. Tanner.*] Do you know whether any of the engines used on the Manawatu Railway have been made in the colony?—No; their engines are imported.

(**11.**) Friday, 8th February, 1895.

Deputation of importers, viz.: John Ross (Sargood, Son, and Ewen), J. Kirkcaldie (Kirkcaldie and Stains), A. Corrigan (D.I.C.), J. H. Stringer (Bing, Harris, and Co.), and D. Jones (Ross and Glendining).

Mr. Ross: Mr. Chairman, we have sought an interview with you for the purpose of laying before the Commission certain recommendations, prepared, I might say, at the request of the Hon. Mr. Ward, by the committee of the associated soft-goods warehousemen of New Zealand, for the purpose of simplifying the tariff, which at present is very complex and unsatisfactory as regards soft-goods. These recommendations, if given effect to, would, without increasing the duty derivable from soft-goods, minimise the chances of evasion and misunderstanding, lessen the work of the Customs officials, expedite business to the importers, and make Customs work pleasant and agreeable, instead of irritating and annoying as it is at present. We quite recognise that in a young colony revenue has to be raised, and we are loyally desirous of aiding the Government in maintaining whatever tariff may be decided upon, both in the letter and in the spirit; at the same time, we have a right to ask that the tariff should be so framed that we should not be subject to loss and inconvenience in our business by the ever-varying alterations and decisions of Customs officials, goods in many instances being admitted free at certain ports and made dutiable at others. We hold the goods should be so classified, under as few heads as possible, and put on such broad and clear lines, that even non-experts would have no difficulty in fully comprehending the tariff. We have no desire to reflect or animadvert upon Customs officials, but would simply add that the present tariff, which has been in existence a number of years, has from year to year become more com-

plex and incomprehensible, in proof of which I might add that the tariff originally consisted of only 506 items, and now bears 2,800 Commissioner's decisions. This speaks for itself. We therefore trust you will give favourable consideration to the following recommendations, and, if possible, give effect to them in framing a new tariff:—

"*Recommendations by the Associated Wholesale Warehousemen of New Zealand re Customs "Tariff.*

"All-cotton and union piece-goods and flannelettes to be charged a uniform duty of 10 per cent., with the following exceptions, which are to be free: Calicoes, white and grey, all widths; sheetings, pocketings, silesias, tailors' and bootmakers' linings, ducks; drills, striped and checks; moleskins; cotton cords of all descriptions, including beaver-skins, plain and corded; dungarees, denims, jeans, cotton italians, cream dressed hollands; union tweeds, not exceeding 9d. per yard.

"Linen goods to remain as at present, 20 per cent.

"All apparel woven throughout—*i.e.*, other than made up of textiles—including knitted shawls, irrespective of size or material, to be classed as hosiery, 20 per cent.

"Silk laces, mechlins, and all mourning crapes should be 20 per cent., as drapery.

"Braids of every description—except gold and silver lace specially used for uniforms—to be charged 10 per cent.; gold and silver to be free.

"Fur trimmings should be classed with ordinary trimmings at 20 per cent.

"Mending- and knitting-cottons should be free.

"Blind-cords, including glace, should all be free.

"Upholstering-gimps are admitted free, while cords to match used for like purpose are charged 25 per cent., but should be free if in the piece—*i.e.*, quarter-gross cards at least.

"Consider that all hessians, whether striped or plain, should be free.

"All millinery, hats, and bonnets (trimmed or untrimmed) should be 20 per cent. To effect this, the tariff item, "Feathers, ornamental, including ostrich, 25 per cent.," should be struck out.

"All *bonâ fide* discounts, excepting cash discounts, should be allowed.

"That, instead of the tariff standing as at present, with 506 tariff items and 2,726 Commissioner's decisions thereon, the tariff should be amended to embrace these decisions, and reprinted.

"Suggest that in future all fresh decisions be notified by wire to the several ports, and advertised, thus bringing the decision into force in all ports on the same day.

"The charging of duty upon casing and baling should be eliminated from the tariff. In no other port in the Australian Colonies is a duty imposed upon casing and baling, and, as showing the inconsistency of such a charge, we have only to mention that, while duty is charged upon cases containing dutiable goods, cases containing free goods are exempt; and, further, cases charged at the rate of from 10s. to £1 10s. in the Home invoices, on which a duty of from 10 to 25 per cent. is charged, only realises 2s. 6d. in this market, thus resulting in an absolutely heavy loss to the importers.

"That the Commissioner be recommended to give decisions on goods upon which duty is paid under protest with more promptitude than in the past, as the delay has caused serious loss to the importers.

"Sargood, Son, and Ewen,	Cock and Co.,
"Bing, Harris, and Co.,	Sclanders and Co.,
"Ross and Glendining,	A. Clark and Sons,
"Butterworth Brothers,	Macky, Logan, Steen, and Co.,
"Edwards, Bennett, and Co.,	W. McArthur and Co.,
"Olney and Co.,	J. Allen,

"Wholesale Warehousemen and Importers, New Zealand."

JOHN ROSS examined.

538. *The Chairman.*] You spoke of the number of items in the tariff: does that apply simply to the soft-goods department?—No; to the whole tariff. That is all I have to say on this matter. The present deputation represents nearly all the wholesale houses in the colony. It is probable that some of the other gentlemen may have something further to say.

539. I do not understand the deputation to represent that the tariff all round as affecting soft-goods is unduly high?—We have no desire to reduce the revenue. We wish to equalise things, and not to be subject to all the annoyance which at present exists.

540. *Mr. Mackenzie.*] As far as I can find out, Mr. Ross, there are really five headings under which goods are brought in now—free, 10 per cent., 15 per cent., 20 per cent., and 25 per cent. Do you not think it would be better, taking the 20 and 25 per cent. lot, to make that uniform—say, 22½ per cent.?—It would certainly simplify matters very greatly.

541. I suppose a difference of 5 per cent. does not signify?—No; but I think your duty in many cases is quite high enough, compared with other colonies. There is quite protection enough. In the exemptions you exempt union dress hollands under 9d., but do not exempt cream dress hollands. I want them put under the same headings as the others—viz., under "hollands." We have put a large number of items that are practically free under the heading "10 per cent." to avoid these anomalies.

542. What is the lowest tweed they are making in this colony at the present time?—I could not tell you.

A member of the deputation: From 9d. to 1s. 2d.

543. *Mr. Mackenzie.*] What is union tweed subject to now?—20 per cent.

544. That would bring it up to 11d.: and you are then, instead of helping the local industry, interfering with it?—The local industry would not be interfered with at all. If we make a tweed

under 9d. it is not used for clothing at all, but for shirtings. This fourteen-penny tweed is used for bush shirtings.

545. We shall probably have evidence brought before us with a view to further protection being obtained for the woollen manufacture?—I have authority from factory agents in the woollen manufacture for saying that they think the present tariff is quite protection enough for any purpose they require.

546. *Mr. Tanner.*] From all the factories?—They are quite satisfied from a protective point of view.

Mr. Kirkcaldie: One reason union tweeds are imported largely is because they are used for lining overcoats.

547. *Mr. Mackenzie.*] You are asking that union tweed shall be imported free, and not subject to this 10 per cent. Where, then, is the encouragement to local industry?—In this way: If you get cheap lining you can manufacture goods within the colony; practically it creates industry. We cannot make a cheap tweed here, consequently it ought to be admitted free.

548. And you will admit that that tweed they make at 1s. 2d. is a better bit of stuff than that at 9d.?—Yes.

549. About the revenue question: did you consider that pretty carefully?—We did.

550. And you reckoned that the exemptions and increases would balance?—Yes.

551. If we framed a duty doing away with the "free" and 10 per cent., do you think there would be any necessity for a Customs expert?—That is a question I do not think we ought to be asked.

Mr. Kirkcaldie: If the tariff were so framed the Government would very soon find whether they were overofficered or not. All we ask is that the tariff should be equal to all.

Mr. Mackenzie: If you do not care about giving information as to the necessity for a Customs expert, perhaps you could tell us whether you think a Customs expert prevents an enormous amount of fraud.

Mr. Kirkcaldie: I do not know.

Mr. Ross: I do not think there has been an enormous amount of fraud in the colony, but if it were going on it would be the means of checking it.

552. *Mr. Tanner.*] Regarding your statement that the woollen companies were perfectly satisfied with the present tariff, are you aware that certain woollen companies have asked for an increased duty—a tariff absolutely prohibitive?—I believe Mr. T. K. Macdonald has.

Mr. Tanner: Let me say that Mr. T. K. Macdonald's name comes into this subject now for the first time.

Witness: He mentioned it in the speech delivered at the last meeting of the Wellington Woollen Company.

Mr. Tanner: I am not speaking of recommendations which came from the Wellington Company. They did not come from Wellington, and the Wellington Company had nothing to do with them.

553. *The Chairman.*] I gather, Mr. Ross, that you recommend generally a simplification of the tariff, so getting rid of the definitions you have much difficulty with: apparently you think there should be only two rates of duty?—I do not say that, but I leave the tariff to be put on a broader classification. Our recommendations are merely alterations suggested in the present tariff as it now exists.

554. These recommendations would, you think, if carried out, have the effect of doing away with the grievances, and at the same time bring in the same revenue as is obtained at present?—That is our opinion, after careful consideration.

(**12.**) JOHN KIRKCALDIE examined.

Witness: After what has been said by Mr. Ross, there is very little left for me to say, but I have rather to point out one or two anomalies in connection with the tariff which are operating at the present time. Frillings are charged 20 per cent., but I have received a notice from the Customs saying that we would not be fined. [Letter produced.] Frillings, I contend, are 20 per cent., and to say we will not be fined is treating us as if we were trying to take advantage of the Customs—a thing no one has any intention of doing.

555. *The Chairman.*] What had you been paying before you were asked to pay this?—20 per cent., and now they want to charge us 25 per cent. At the present time I have a case of goods in dispute invoiced "Ceylon shirtings," and, while one portion is marked "free," another portion is marked "20 per cent." These are all invoiced at 5¼d. and 6½d. If you will turn to "union shirtings" in the tariff you will find that they are free.

556. Is there any ground alleged for the difference?—We are not bringing these things before you in a local sense only, but as representing the whole colony. My clerk, who passes all our entries, was in one of the sheds this week—the matter refers to Messrs. Sargood, Son, and Ewen, and I do not think Mr. Ross will object to my making the statement here—and informed me that Shannon told the Landing-waiter to pick out samples for duty out of Sargood, Son, and Ewen's case. This he refused to do, as he was unable to state which were dutiable and which were free, but said he would post the firm for the lot and make them pay duty on the whole. That, I understand at the present time, is to be contested. My own cases have been in the possession of the Customs for three weeks. They are in suspension now. I also wish to bring before the Commission's notice a case in which a wholesale firm in town is interested, but their representative is unable to be present to-day. Last winter they had four shipments of braids: three were admitted free, but on the fourth they had to pay 20 per cent. The firm referred to is the firm of Macky, Logan, and Steen, and their local representative, Mr. Caldwell, told me that he sold some braids recently, and they were delivered, but they had not been away more than a couple of days when they were returned by the purchaser with the remark, "I can buy the same goods 20 to 25 per cent. less," the inference being that

another firm must have got these goods in free. The goods were returned, and the result may be a serious loss, because if a firm is found out overcharging in one line it is reasonable to suppose they are dear in others as well. I am an importer of these goods [hat-bands produced], and Mr. Caldwell said that on several occasions he has had them in free, but the last time a parcel of them arrived it had to bear a duty of 25 per cent. They came in ¾-yard lengths, for putting round hats. All the importers present know these goods have been admitted free again and again, and now 25 per cent. is levied. It is scarcely possible for a single shipment to be received by an importer without this trouble occurring, on account of decisions and alterations in the tariff. With regard to shirtings, we have to pay a duty, although the tariff says they are free. They cannot be used for anything else. The samples I have here [produced] are invoiced from 4⅝d. to 4⅞d. a yard, and I would ask whether the Commission can give us any idea why they are taken out of the free class by the arbiter of our destinies.

557. *Mr. Hutchison.*] Cannot they be made into dresses?—If you like to make them into dresses you can, but we import them for shirtings, and we ask they should be treated accordingly. These linings [produced] are used for tailoring purposes, and one (cream-coloured) is free in the tariff, but through some strange interpretation it is subject to a 20-per-cent. duty. They are all used for the same purpose—for lining trousers; but I admit they are also used for lining ladies' dresses; and, if they are free in the tariff, on what ground does the department want to charge 20 per cent.?

558. *Mr. Tanner.*] If one is charged 20 per cent., why not the other?—Yes; but all tailors' trimmings are admitted free, to encourage local industry. The question of braids is also an irritating feature. The tariff has been in existence for five or six years, and there are, as pointed out by Mr. Ross, something like 2,800 decisions. There is no finality, and the duty on the samples I have exhibited here to-day are just decided according to the interpretation, I presume, of Mr. Shannon. We also complain in regard to laces, which are charged 20 per cent. These goods have to be unpacked to be examined, but they are sent out in such enormous packages that it takes a long time to unpack a case. We lose a lot of time, and there is very little gain to the Customs. The tariff has been so altered that neither Parliament nor Customs officers would know it as originally framed.

The Chairman: If you attempt to define or classify on anything but broad lines it necessarily must follow that you will want definition after definition.

559. *Mr. Hutchison.*] I do not think you told us, Mr. Kirkcaldie, what you wanted done about this frilling?—The duty has been 20 per cent. until recently, and we now object to pay a higher rate for the same goods. The tariff has been in existence six years and we know how it has worked. I might also make this statement, and I do so on authority: There are importers in New Zealand who have certain goods sent to other ports, where they are admitted at a lower rate of duty, and then they have them transhipped to their destination. This is owing to the different views held by different Customs officers.

560. Have you represented that to the department?—I have not. I am not in it, but I know it exists.

561. Would it not be your duty as a citizen?—No; my duty is to look after my own business.

Mr. Ross: It has been represented on several occasions.

Mr. Hutchison: It is simply a charge against administration rather than anything else.

Mr. Ross: Chiefly so.

Mr. Kirkcaldie: We do not care what the tariff is so long as it is so equally worded that he who runs may read, and no one should have the opportunity of overriding his brother. With regard to flannelettes, those of a certain character are admitted free, while others are charged 10 per cent. We imported some within the last three weeks on which we paid no duty, and we are content to accept that. I simply point that out to show how uncertain the Customs tariff works.

562. *Mr. Hutchison.*] It has been pointed out, Mr. Kirkcaldie, that flannelettes are different in their texture?—They are all opened before they are passed, and examined by the Customs before they are cleared.

563. What stamp of goods was this on which the 10 per cent. was not charged? Did you save the difference?—I am perfectly willing to accept that. I saved the 10 per cent., but I say it should not be.

564. There is very great difficulty in defining these goods, because the English manufacturers are continually changing the name of materials, and it has become difficult for Customs officers to know?—The Customs officers are well up to date. They have an overseer, as many say, and it depends upon the state of his liver what decision he gives.

565. Of course, having goods in suspension is a great grievance, but your remedy, to some extent, is to brand the lines so that the Customhouse would have no difficulty in defining them at once?—It says in the tariff that "unions" are free, but the Customs take a few out of one case and say, "These are free," and the rest are dutiable. Dresses are exactly the same. I have the invoice here [produced].

566. If we were to ask the Customs officers they would have some reason?—Exactly, but what is the reason?

567. And they have not given you any reason?—No.

568. *Mr. Tanner.*] *Re* these shirtings: you import them as shirtings and sell them as shirtings?—Yes, and they are made by the shirting manufacturers.

569. I suppose you are aware that many of the materials now made are very largely diverted from their special and original use?—Yes.

570. Are you aware that the Customs have called attention to the fact that these shirtings are being used as dress-pieces? If imported as dress-pieces, would not they carry a certain rate of duty?—Yes.

571. Would it meet your objection if, after importation, they were cut into lengths suitable for shirtings only?—Yes, but the decision the Commissioner gave was that they should be cut into

7ft. lengths. A good shirt can be made out of 3⅜ yards. Being sellers of the material, various lengths are sold for various sizes, as suitable for men's, youths', and boys'.

Mr. Ross: It would entail a large expense to cut these things up.

572. *Mr. Tanner.*] Do you do anything in the importation of coir mats and matting?—Yes. There is not a very large sale, and I do not think it is increasing.

573. Are the goods imported from London or India?—London.

574. Do you import any raw material?—No. I believe there is a maker in town who gets the great bulk of the mats to make.

575. Do you think in the future the importation will gradually diminish?—Yes. We do not import any; we buy them here.

576. Supposing flannelettes, instead of being admitted free up to a certain value, were charged 10 per cent., how would that affect those persons who are engaged in making this material into shirts?—It would add about 2d. to the cost of the shirt.

577. *Mr. Mackenzie.*] Under what class would the corded ribbons used for hats come when they were not dutiable?—If they came in as hat-bands for the local manufacturers of hats they were not charged, but if in the piece they paid duty. A hatter can now get his special bands without any duty in the piece.

578. Could those articles be used for any other purpose than hat-bands?—None whatever.

(13.) D. Jones examined.

579. *The Chairman.*] Do you wish to give evidence, Mr. Jones?—The only matter I wish to refer to is one relating to laces. Cotton laces are charged 20 per cent., but if there is a little silk in them they are charged 25 per cent. The trouble is to define what is silk and what is cotton, as the latter goods are made so much like silk.

(14.) Mr. G. V. Shannon examined.

580. *The Chairman.*] You are a Customs expert attached to the Customs Department?—Yes.

581. Some information has been given us to-day relating to the operation of the present tariff in regard to soft goods, and we thought you should be made acquainted with the evidence, so that you might give the Commission any information you may have to offer on the matters mentioned. The reporter will read the evidence over to you [evidence read to witness]?—I think the first matter I have to explain would be Mr. Kirkcaldie's statement respecting "frillings." Frillings containing no silk are regarded as drapery n.o.e., and silk and all materials mixed with silk are charged 25 per cent. Frillings come under the head of "drapery," and are always charged 20 per cent. if not mixed with silk.

582. *Mr. Mackenzie.*] I understand the frillings were composed of another material with a slight silken thread through it? How are the officers to draw the line as to the quantity of silk in an article of that kind?—The rule in the department has been if the things were all silk or mixed with silk to charge 25 per cent. duty.

583. *The Chairman.*] You say that if there is any silk in them the department takes the benefit of the higher rate?—Yes. I am of opinion that in a new tariff silk ought to read "Silk in the piece, 25 per cent."; and then "Articles and materials composed of silk or containing silk, 25 per cent." That is the suggestion I make to overcome the difficulty. A deputation waited upon Sir Harry Atkinson, and asked him to make a concession to them in regard to dress goods where the greater portion of these dress goods were not composed of silk, and he granted that concession.

584. *Mr. Stevens.*] Do you think it would be possible to define the quantity of silk these goods should be allowed to contain by which the deficiency in the tariff should be rectified?—I think that would be impossible.

585. *Mr. Mackenzie.*] The point is, if the basis of the thing is silk the tariff seems to bring it in at 25 per cent.?—The Commissioner of Customs in 1888 (Sir Harry Atkinson) interpreted it otherwise, and it remains unaltered by the department. With regard to shirtings, these are the materials [produced] called "shirtings" which Mr. Kirkcaldie spoke of this morning; these I have examined on the wharf during this week. The department has been very liberal, and where a doubt has existed as to whether an article was a shirting or dress material they have asked the importer to cut it up and make it into shirts. Lately Home manufacturers have been making dress goods as near shirting patterns as possible for the purpose of getting them in free for their customers, and it is very hard often for people who know their business to tell where the shirting ends and the dress goods begin. I do not think shirts will be made of Mr. Kirkcaldie's goods, samples of which, taken from the cases on the wharf, I have now laid before the Commission. If Mr. Kirkcaldie says that these could not possibly be made into anything else than shirts he and I do not agree. He came down before these goods [samples No. 2 produced] were opened up and insisted upon getting the goods in as coloured cotton shirtings free. I was present in the Custom-house at the time. I looked at them and said, "I think Mr. Kirkcaldie there is silk in these, and if you will leave them I will try them, and let you know." I did so, and found they were mixed with silk, and we charged him 20 per cent. as textiles. These goods are sold for blouses and dresses.

586. *Mr. Hutchison.*] Mr. Kirkcaldie stated it was exceedingly difficult to find out whether there was any silk in them?—I can always tell, and so can any man who knows his business, but we admit the great difficulty that has arisen in these matters. Sargoods passed these goods [samples produced] as shirting and free, whereas they are not shirtings but cotton piece-goods on which 10 per cent. duty was collected.

587. *Mr. Mackenzie.*] Are not these extreme cases?—This is an extreme case; but we get them on the border-line; and if I were asked my opinion I think I could get over the difficulty, and not interfere with the trade. In all doubtful cases we do not ask them to pay 10 per cent., but we say, "If you want them for shirts, as we know they are on the border-line of dress goods, if you cut them up and make them into shirts, you shall have them free." This is the Commissioner's decision.

We allow the goods to go to the factory and to be cut up. Then the Customs officer inspects them, and they get a refund of duty.

588. *The Chairman.*] Would it not be possible to put a definition into the tariff so as to avoid this?—Yes; one simple remedy would be to take coloured cotton shirtings and union shirtings out of the free list. Then the duty would be 10 per cent. on coloured cotton shirtings as cotton piece-goods; but you have built up a large industry in the manufacture of shirts, and if you do that I think you will create a great hardship for those people employed in this industry. The simplest remedy would be to adopt the suggestion proposed and carried at a general meeting of warehousemen held in Wellington in 1893 on the question of the tariff. It was then proposed that all coloured cotton shirtings and union shirtings under 7d. should be dutiable except when cut and manufactured into shirts. That proposal was afterwards rescinded, on the last day of the conference I think; but, in my opinion, it would work easily, and keep this industry going, if these goods were allowed in free for manufacturing purposes. Otherwise I think a number of people who make a living by shirtmaking will suffer, and the profit go into the pockets of Home manufacturers and importers.

589. What do you mean by "union shirtings"?—Union shirtings are unions of wool and cotton; if silk is in them they are known as silk-mixed shirtings. It would simplify matters if all shirtings were dutiable unless manufactured into shirts. With respect to forfars and dowlases and flax sheetings, a great anomaly exists. I understand that flax sheetings were first introduced into the tariff many years ago, and made "free" to enable millers to make their flour-bags; but then the departmental officers could not distinguish between a forfar, a dowlas, or flax sheeting, and they let the whole come in free, interfering with brown hollands and other goods that pay duty. If the Commission could see its way to recommend a duty on these articles as "textile piece-goods," and make some concession in regard to flour-bags, a great anomaly would be removed.

590. *Mr. Mackenzie.*] What is the difference between forfar and flax sheeting?—The one is merely a finer quality of the same goods, the yarns being differently spun, and very few people can tell where the one begins and the other ends. One is often sold for the other. Dowlas is finer than forfar and flax sheeting, and made up differently, being both blocked.

591. There is a wide difference between them and hollands?—They are taking the place of hollands for aprons and children's overalls, &c. Being free, they are largely imported, and take the place of the other textiles on which the duty is 20 per cent.

592. *The Chairman.*] The deputation recommended that gold and silver braid for uniforms should be admitted free, but that all other braids should come under the tariff?—These gold and silver braids are free, Mr. Chairman. In reply to the statements about ribbons cut into hat-lengths, I may say that, on the representations of a man in Auckland who manufactured straw hats, the Commissioner allowed him to import ribbons free if cut in lengths and imported for manufacturing purposes only. The drapers thereupon ordered all their hat-ribbons in lengths and not in the piece. When the Commissioner discovered he was losing revenue in this way he cancelled the order allowing drapers to import cut ribbons free, as they are not used by them as for manufacturing purposes. Respecting braids, Mr. Kirkcaldie stated that one firm (Macky, Logan, and Steen) had had some braids returned to them because they were too dear, and inferred that duty had been evaded on some of these goods which had been imported by another firm in town. These are the braids [samples produced] which Mr. Kirkcaldie referred to. Some days ago Mr. Caldwell, of Macky, Logan, and Steen, brought to the Customhouse these braids. He stated that they had been returned by a customer; that he was selling them at 17s. 6d., and the other people at 13s. 6d., and inferred that the latter must have come in duty-free. He gave the name of the house (Ross and Glendining) who had sold these goods at so much less. We went immediately to Ross and Glendining, and saw the entry and invoice, which show that they paid 20 per cent. on these goods. I think this is a sufficient answer to that point.

593. *Mr. Mackenzie.*] They wish tailors' trimmings admitted free?—In my opinion, that line ought to be revised. Brown linen and checked drills, I would suggest, should be struck out altogether, and slate-coloured linens and unions substituted.

594. *The Chairman.*] How would you rule with regard to silesia?—A silesia would pass free as tailors' trimmings; but the question is, what is silesia: seven or eight men once went before Judge Denniston, and none of them could agree as to what silesia was. We allow all fancy cotton silesia to come in free; but the reason this cream holland is not admitted free is if we allowed them in free as tailors' trimmings we should have to admit free all brown hollands; and all classes of hollands are 20 per cent. duty.

595. *Mr. Hutchison.*] There was a certain implied insinuation running through the statements to-day that something like favouritism was shown: one firm was charged duty and another let off. I presume it all arises from anomalies in the tariff?—I understand Mr. Kirkcaldie made a statement, on behalf of Messrs. Sargood and Co., that the Landing-waiter was unable to distinguish in regard to certain goods which were dutiable and which were free, and said he (the Landing-waiter) would post the firm for the lot, and would make them pay duty on the lot.—This Landing-waiter came to me, and I went through the cases with him last week, and pointed out those I thought were free and those that ought to be cut up. I went away; and when Mr. Kirkcaldie's Customhouse clerk was down on the wharf to examine goods (samples produced by me to-day), and while the men were opening the case, I took him to another shed. I showed him how we were dealing with Sargood's, to let him see we were treating all alike. There was only one case opened at the time. The Landing-waiter said to me, in his presence, "I have been speaking to Mr. Stewart, of Sargood and Co., and he says he would rather be posted on the whole lot." I said, "You had better take care he is not laying a trap for you and will make a protest, and we will have to refund, as there is certainly free shirtings in the cases. I have pointed out to you those I consider you ought to have allowed free, but I will go over them again with you;" and this morning, before I knew anything about Mr. Kirkcaldie's statement, I have again gone over these very-samples [produced] and pointed out those I consider should be cut up and those that might go free. I had a

suspicion at the time that there was a little catch in it on the part of Mr. Stewart, of Sargood's, and I think this explanation will show that there is no favouritism shown to any one.

596. Do you think importers require the exercise of such vigilance; they say they have no desire to work against the Customs, but they are most anxious to co-operate with the department?—In my opinion, increased vigilance is required in the protection of the revenue, and if such vigilance was relaxed thousands of pounds would be lost to the revenue. I think it would open the eyes of the Commission if Mr. Glasgow could confidentially show it, say, for the last twelve months, the cases we have had to deal with outside the drapery trade altogether, particularly with Sydney, Melbourne, German, and American houses.

597. *Mr. Mackenzie.*] Outside drapery, you are the general expert for the Government?—I deal with everything. I have had over thirty-six years' experience in hardware, grocery, and general merchandise, as well as drapery; and at the present time I am dealing with a case of holloware, where a man has got a lot of special discounts, he protests and will not accept them.

Mr. Glasgow: Another important matter touched upon by the deputation was that of "casing."

The Chairman: Their grievance was that duty has to be paid upon the wrapping, or casings. They say that the cases bear 20 or 25 per cent., and, as a matter of fact, they cannot sell the cases for as much as they cost, as shown in the invoice, and, on the other hand, the cases sometimes contain free goods.

Mr. Shannon: It is a matter of loss of revenue. If the Government think they can afford to do without the duty derived from casings (which comes to a considerable amount), well and good. Other Treasurers could not. The importers do not pay one penny of it. It forms part of the cost to the people who buy the goods. Moreover, if cases were allowed free, dishonest importers would be better able to manipulate their invoices, as I could explain.

(15.) Charles Nees examined.

598. *The Chairman.*] What are you?—I am a millwright and importer, residing in Ghuznee Street, Wellington, and have been in business twenty years.

599. What representations do you wish to make to the Commission?—Artisans' tools, such as plumbers' tools, tape measures, soldering-irons, butchers' saws steels and knives, paperhangers' scissors, should be admitted free of duty. I am also an importer of wood-working tools, and, as the Government are assisting sawmills in the matter of the export of timber, the duty on their machinery and oils should be removed or else reduced. They pay now 20 per cent. *ad valorem.*

600. Does it apply equally to oils and machinery?—Plain iron is free and a circular saw is free, but the machinery for driving it pays 20 per cent. I have had to pay lately 30 per cent. *ad valorem* for goods imported from Sydney. They were part of a shipment of machinery from the Chicago Exhibition, and I had to pay an extra duty of 10 per cent. because they passed through Sydney; but if I had imported them from the manufacturer direct I would only have paid 20 per cent. I also complain of having to pay 4s. duty per 100ft. on veneering [specimen produced], face-measurements, when it should be on the superficial measurement. Our firm has only paid on the superficial measurement hitherto.

601. Your grievance is that on previous occasions you were charged by the Customs on 100 superficial feet only?—Yes.

602. And on subsequent occasions they charged you on the 100ft. run?—Yes. I also complain of having to pay duty on the photos of machinery imported with machinery into the colony.

603. You ask that tools and parts of tools now used in your business should be admitted free as artisans' tools?—Yes.

604. *Mr. Stevens.*] Cannot that veneering be made in New Zealand?—I could make it if there were no duty on the tools.

605. *The Chairman.*] Is there a large demand for it?—No. There would be if it could be produced here. We have very fine figured stuff here if we could make it cheap enough.

606. *Mr. McGowan.*] Are you aware that veneering is already made in New Zealand, and has been for the last twenty years?—If any one has made it in New Zealand it is myself.

607. It has been made in New Zealand, and not by you. Are you aware that one of the Scotts has been cutting veneering for more than fifteen years?—I have been cutting it for thirty years.

(16.) Percy A. Hadley examined.

608. *The Chairman.*] What are you, Mr. Hadley?—Manager of the Litofuge Manufacturing Company, New York and San Francisco. Our colonial office is in Customs Street East, Auckland.

609. What is this manufacture?—Boiler compound, or anti-fouling compound.

610. Have you a factory in this colony?—We have just established one, and taken a warehouse, in Auckland.

611. This composition is made for all kinds of boilers?—Yes; marine, locomotive, and stationary. We wish to establish branches and to manufacture in the colonies, but the raw material is dutiable, thereby prohibiting us from manufacturing here. [The duty has since been removed from the raw material.]

612. What is the composition of it?—One article is "cutch," or "cataque." This comes in a manufactured form, and cannot be used for anything else. It at present bears a duty as a drug of 15 per cent., and we want it in free.

613. What quantity would you be likely to use in a year?—It is impossible to say until we know the requirements of the trade. At present we want about 20 or 30 tons a year.

614. *Mr. Stevens.*] What value would that be?—It costs me about 6d. a pound, or £40 a ton.

615. *The Chairman.*] Could you give us a rough idea, without disclosing any secrets, of what the other materials are?—The others on which we pay duty are sumac, a powder.

Mr. Glasgow: That is free.

Witness: I did not know that.

616. *The Chairman.*] Is the cataque the same article as is used for dyeing?—No; it is ground up very fine. I have a ton in Auckland now, and it has been passed "free." Possibly this is the first ton imported into the colony.

617. *Mr. Tanner.*] If passed "free," it has not been charged as a drug?—It is ground up in such a manner that it cannot be used as a drug.

618. *The Chairman.*] By the Commissioner's decisions it appears that cataque has been imported into the colony, but it is also referred to as cutch?—At present this one shipment has been sent here to decide whether it is free, and I ask that cutch of that kind shall be declared free. Another ingredient is sal ammoniac, ground. We would require 10 tons. It is valued at £28 a ton; it varies according to the market. We want that admitted free. The boxes we pack the manufactured article in are made of wood, and are dovetailed. I cannot get them made in the colony, and I have to import them from America. They are fitted with sliding lids, and are similar in construction to the patent-medicine boxes made in America.

619. What quantity of boxes would you require?—Between 50,000 and 100,000 a year, including Australia.

620. What is the size of the boxes?—They are 4lb., and cost 21 dollars a thousand. The duty on them is 15 per cent., and I ask that they be made free. There are also manufactured compounds admitted free, and if we manufacture in the colony I would like a duty imposed on boiler compounds and anti-fouling compounds.

621. You want a duty as against all competing articles?—Yes.

622. What are your ideas as to the amount of duty necessary to give effect to this?—I should say they should be taxed at 25 per cent.

623. *Mr. Tanner.*] Would 15 per cent. be a satisfactory duty?—The more you put on the more satisfactory it will be; 25 per cent. would suit better.

624. *The Chairman.*] What would be the amount of labour you would be likely to employ?—At present we have only one branch, and there we shall employ twenty to thirty hands. Fifty to one hundred would be employed.

625. If your calculations are borne out, you would employ thirty men. What would be their average wages?—As ordinary labourers, £2 10s. a week. The pay all round would average 6s. to 8s. a day.

626. Do you know whether there are any other manufacturers of boiler composition in the colony?—I am quite sure there are not. [I have since heard of a local article being manufactured in Napier, but of no account.]

627. Is the material you make used anywhere else?—We supply the naval departments of the different Governments of the world and the colonies, including New Zealand.

628. It is a well-known article?—Yes. We have been manufacturing it a number of years.

629. *Mr. Stevens.*] What advantage is it to manufacture this stuff in New Zealand if you have to import your empty boxes in which to pack it?—To save the inward freight, which is very heavy.

630. Then, you import all the articles required, as well as empty boxes?—We get a special freight for the boxes—viz., half-rates across America; but even then we could save a great deal by manufacturing here.

631. Because of the cheaper rate of wages?—Wages are not any cheaper here in comparison. It is more convenient to manufacture here, because we can get some of the materials from India, such as cutch.

632. You say you are allowed by the steamship companies to carry your raw material cheaper than the manufactured article?—No. I get a reduction of 50 per cent. in freights from the Spreckles Company. We have never imported any boxes yet, but I have a shipment arriving this month.

633. They bring the boxes at half-freight because they are empty?—There is always a reduction for empties crossing the States; and another reason is the competition of the Vancouver service.

634. *The Chairman.*] Are your boxes made up in sections?—Yes. They are made in a machine.

635. *Mr. McGowan.*] Is any particular kind of wood necessary for these boxes? And must they be made in a special manner?—Yes, to keep them air-tight. I have tried to get them made here, but they cannot make them, not having got the necessary machinery.

636. *Mr. Tanner.*] I cannot understand the low price of the boxes?—In America there are firms who make nothing but these little boxes. The firm who supplies us are the firm of Hopper and Boggard.

637. You know that nails are made largely in Massachusetts and Lowell. Have you seen the boxes in which they are packed?—No; the boxes we use are 8ft. by 1ft., with a sliding lid.

MONDAY, 11TH FEBRUARY, 1895.

(**17.**) Messrs. BELL and PHILIPS examined.

638. *The Chairman.*] What is your name in full, Mr. Bell?—Charles Robert Edward Bell. Mr. Philips accompanies me on this interview as he is our agent in the colony.

639. What is your business?—Match-manufacturer. I am managing director of the firm of R. Bell and Co., London. The factory in Wellington is a branch of the London business, and I am managing director of the whole concern.

640. What representations do you desire to make to the Commission?—I had not intended to appear before the Commission, but I saw from the papers that you had had some evidence as to a match-factory before you, and I thought it would be as well for me to come and explain to you that

when I first came here I had an interview with the Hon. Mr. Ward relative to the establishment of a match-factory, and I asked what inducements the Government would give me to establish a business here. He received me cordially, and expressed himself favourable to the establishment of a match or any other factory, and said they would give me all the help they could. I spoke to him about the tariff, and asked if there was likely to be any alteration in it, and he told me I could rest quite assured, not only verbally, but he also wrote me, that there would be no alteration in the tariff during the time the present Government lasted.

641. Do you mean no alteration in the tariff at all, or in that particular item—matches?—In that particular industry I was about to establish. In view of this fact, I took some premises here and started in a small way, to see how the thing went. I am about purchasing a piece of land to put up a larger and more suitable factory.

642. *Mr. Tanner.*] Did Mr. Ward say during the term of the present Government or present Parliament?—The present Government.

643. Then, did you understand that if they were in power fifty years there would be no alteration in that item?—Not in my particular industry.

644. *The Chairman.*] Can you inform the Commission what is the number of persons employed by you in the small factory you have at present?—About forty-five people. There are seven men and boys, and the remainder are girls.

645. What is the average wage of these persons?—They are all learners, comparatively, at present; but the average wages they will earn in the future will be from 12s. to 15s. a week. The smart girls are now earning, say, 13s. a week, on piecework.

646. How long have they been at work?—We started in September; but the girls have not stuck to their work, and some have left. I do not know whether there is a sufficient number of girls in Wellington; but I think, when I have a new factory, in a more suitable neighbourhood, they will take to the work more steadily.

647. We had reason to suppose the girls' wages were from 5s. to 6s. a week: you do not pay 5s.?—No; they all begin at 6s., and the general average is about 8s. a week if they attend for a full week. I remained here last year long enough to put the machinery up, and then went to Melbourne, and also left a manager in charge. I have only been back a week, and therefore cannot speak so accurately as I otherwise should.

648. How many men are there in the factory and how many lads?—Three men and four lads. One man is paid £2 8s. a week, another £1 5s., and the boys from 12s. to 15s. The manager has £3 a week and commission on the business.

649. Supposing the present factory were in full working-order, and your employés earning the maximum wages, would it make a difference of 25 per cent. in the amount of the weekly wages?—More than that. I find we shall have to pay nearly double the wages we do in England—that is, on piecework. Our girls average in England 10s. a week. The girls here would not earn £1 a week, because they only work eight hours a day; in England they work ten hours. The girls here will earn 16s. a week.

650. Working out the figures you have given, the total weekly wages at present will amount to £29 15s.?—I think I am in error, because I think they are more than that.

651. How much? Supposing the present factory were working under the best conditions, and these people were all getting paid on the largest output, having acquired the necessary experience, what would the earnings be? Would it be safe to say the present staff, under those conditions, would be capable of earning £50 a week?—Yes, if the factory were suitable; but the present factory is not quite suitable.

652. You spoke of putting up larger premises?—I wish to put up a factory large enough to hold 150 people comfortably.

653. Do you think the trade in the colony will keep all these persons employed?—I do.

654. Do you claim you produce here an article equal to the imported vesta?—I claim we shall produce precisely the same article. I am aware that since I have been away in Melbourne some matches have been made in the colony not up to the mark quite, but I am determined that will not occur again. There is no reason why we should not make matches here as good as any in the world. We are now making them in Melbourne, where I have established a factory, equal to anything in the world. I refer to wax vestas. We cannot make wooden matches. Bryant and May are the largest makers of the latter.

655. Are you able to supply the matches made in the colony at the same price, or less, than those we are importing from London?—We are supplying them at a less price than those imported from London.

656. Independent of the question of duty?—I am selling them at a less price than matches imported from London, duty-paid. The price per gross is 3s. 6d., "plaids."

Mr. Philips: There are various grades and qualities and makers. Bryant and May's, the only English competitor of importance, with the exception of occasional continental importations, cost, duty-paid, 4s. per gross "plaids."

657. *The Chairman.*] The local matches are actually cheaper?—Decidedly so.

Mr. Philips: Our net price is nearly 6d. a gross under the actual landed price of Bryant and May, and 8d. or 9d. below their agency price.

658. *The Chairman.*] It is supposed to be an ascertained fact that the manufacture you are carrying on, Mr. Bell, is one highly prejudicial to the health of the employés?—In every respect that idea is a gross exaggeration. We have never had in our factory, which has been established since 1832, but one case of the disease known as necrosis, or "phossy jaw." The outcry about that disease is grossly exaggerated, and I have an extract from the *Times* newspaper which will prove that. It gives the evidence given before one of the Commissions at Home, and proves that there is not the slightest injury to health in the process of match-making except in one department. The girls could not possibly suffer from it, and the only danger in the manufacture is while the phos-

phorus is wet. All our materials are mixed wet, and the only danger from vestas is while they are wet. After the matches are dried there is no danger, and the girls never touch the matches or see them until they are dry. The process of match-manufacture is this: In the main building the taper is made on drums; we make about fifty miles at a time, and there is no danger in that. It is then taken to machines, where the rolls of taper are taken from the rollers, and put into frames, and cut into lengths, and the frame is filled up, preparatory to dipping. A match-factory is supposed to be dirty work, but it is clean work, and after the frames are filled the dipping is done out in the yard. The drying-rooms are away from the main building.

659. The matches are not dipped by the girls themselves?—They are dipped in frames, in a yard covered with a roof and otherwise open, and out in the open air, by a dipper—a man. When he has dipped them they are carried into the drying-rooms, which are small rooms, so that in case of a fire only one room would take fire at a time. The fumes cannot get into the room where the girls are employed, and the girls have nothing to do with the phosphorus-department process. In the present factory the girls are in an upper room, and the frames travel across the yard to go to them.

660. Would it be possible for the Commission to see your factory?—I should be very pleased for the Commission to see the factory, but I would like you to see the new factory.

661. *Mr. Tanner.*] The Commission would like to see both, and the conditions under which the factory works?—I could have brought the plans of the Melbourne factory for the information of the Commission; but I could give you an opportunity of seeing the factory if you wish. I might add that the girls do not get the matches from the drying-room until they are dried. Then there is no escape of phosphorus. They do the boxing of the dried matches.

662. *The Chairman.*] And the cutting into lengths will be done by machinery?—That is done before they are dipped, during the filling into frames. The girls' work consists in taper-making, filling into frames, and the boxing.

663. Under the conditions of the present factory in Wellington, which are not what you could desire, and which you intend to improve, there has been no illness?—Not the slightest.

664. *Mr. Tanner.*] Why have so many girls left?—Some were not content with the amount of wages they first earned. They did not stick to the work as well as they did in Melbourne. We have fifty-five hands there, and they are a superior class of girls; and out of sixty girls originally employed only five have left. They earn better wages than they do here under the same conditions.

665. *The Chairman.*] I presume the materials used here are imported from Home?—At present all are imported, but if I could get the stearine locally, and of a suitable quality, I would use it. Stearine is the chief material, and the stearine made here for candles is not good enough for matches. We require a far better quality. We buy it at 4½d. per pound in London, and pay a duty of 1½d. per pound. The phosphorus comes in free in a crude state: it is manufactured in England and France. The wick is free of duty, and is imported.

666. Could it be made here?—No; you are not in a position to manufacture cotton wick in the colony. We also import glue, which bears a duty of 1½d. per pound.

667. Is that made in the colony?—I suppose it is, but I have not made any inquiries about glue. I am buying my stearine and glue in Melbourne, and in all probability I shall buy my glue here. We use paraffin wax. The boxes are imported. The plaid vesta-boxes come in free of duty.

668. Is there any possibility of manufacturing them here?—I do not think so; you have not a manufactory here of straw-board, of which the plaid boxes are made. That is the cheapest board manufactured, and you have a duty against it. We buy straw-boards in London at £5 16s. per ton, and the duty is £4.

669. Are the boxes made by machinery?—Yes, we employ 150 hands making boxes in London; and I am sure there is no possibility of getting them made here. The tin boxes are, of course, imported, and we pay a duty of 25 per cent., and the same freight as though they were full of matches, and also on the empty plaid boxes.

670. Are the tin-boxes brought out complete or in sections?—Complete, because the whole process of cutting the sections and folding them is really making the boxes.

Witness: Is the Commission under the impression that the present factory is in any way unhealthy; because, if so, that is not the case, of which you could judge for yourselves.

671. *The Chairman.*] We have not asked any question regarding any special unhealthiness in yours or any particular factory; but we wanted to have your expert evidence as to the truth or otherwise of what must be known to everybody in the world—that there have been allegations as to the extraordinary unhealthiness of this particular industry?—You can take it from me that those allegations are grossly exaggerated. In London there has been an outcry, making out that the match-factories were very unhealthy, and the Home Secretary investigated; but it was distinctly proved that it is nothing of the kind. There have been one or two cases, not perhaps three cases in the last five years, at Messrs. Bryant and May's factory, on account of conditions which should not have existed. They have been altered since. It has not been proved that there has been another case in England for years.

672. Given proper conditions, the manufacture can be carried on without danger?—I assure you most decidedly that is the case. The only employé likely to suffer in any degree is the dipper; if he keeps his hands clean, and does not eat his food with dirty hands, he cannot receive any injury. We impress that particularly upon him, giving him every facility to keep himself clean, and insisting that he shall do so.

673. *Mr. Hutchison.*] Do I understand, Mr. Bell, that if a girl is in the factory for three months her wages will rise beyond 6s.?—They ought to. It is all piecework, and as soon as they can earn more they get it. There is a great difference between girls. Some girls pick up the work more

readily than others; and it depends upon a girl herself how much she earns. There is no reason why in three weeks to a month a girl should not earn from 10s. to 12s. a week.

674. *The Chairman.*] What is the average age of these girls?—We cannot employ any girls under sixteen years of age without a permit from the Inspector. All our girls are sixteen or over, unless the Inspector has given them a certificate to work. I do not think there are any under fifteen. They have also to pass the Fourth Standard before they can be employed.

675. *Mr. Hutchison.*] You say it has been distinctly proved in London, by inquiry by the Home Secretary, that there are no unhealthy conditions in a match-factory?—Yes; in a properly-built match-factory.

676. How has this been proved?—In sixty-two years we have had one case. I do not think it has ever been mooted as to the health suffering.

677. Oh, yes?—I have not seen it. I went carefully into the thing, and I saw the Chief Inspector of Factories in London on two or three occasions about this very matter, and I do not think it has ever been attempted to be said that the business was generally injurious to health. From my experience, I can assure you it is a mistaken notion that there is anything unhealthy in the process of match-making, save the dipping.

678. Have you any reports about it?—I have a *Times* extract, and I will look it up and send it.

679. I mean any official report?—The one in the *Times* is from official sources; but I should not like this evidence published. I do not wish it to get into the papers that Messrs. Bryant and May have had two or three cases in their factory. Two or three cases took place in their factory, but that was under conditions that should not have existed. The drying-rooms were connected with the main building, and some of the girls worked in a gallery around the main building under very bad conditions.

680. Are you conducting the business under proper conditions here?—Yes; fairly well, even in this building, which is not built for a match-factory.

681. Is it not a little box of a place, ill-ventilated?—No; it is not ill-ventilated. There are plenty of windows; and you can judge for yourself if you come and see it. The dipping process is done away from the building. It is a small factory, and not so well suited as I should like it to be.

682. Has the Inspector expressed his satisfaction?—Yes; or else I should not have been allowed to begin.

683. *Mr. Stevens.*] Do you know if there is another match-factory in New Zealand?—Yes; in Dunedin.

684. Have you any idea what number of hands they employ?—No. It is a very small place; but the Government have given them greater facilities than they gave me—they have given them the use of Government buildings rent-free.

Mr. Hutchison: Not rent-free.

Witness: I was told so.

Mr. Philips: It was stated that it was on their paying the insurance charges.

Mr. Hutchison: It may be so.

Mr. Stevens: Is there any difference in their price and yours?

Mr. Philips: They are only making tin boxes, and their price is exactly the same as our own. They fixed their list to meet ours.

685. *Mr. McGowan.*] You state, Mr. Bell, that the girls at first receive 6s. a week. Are there any who do not for some weeks make even that?—I reckon some of them do not make 2s. a week, although they are paid the 6s.

686. Have any left because they could not do as much at the piecework as would enable them to earn fair wages?—I cannot answer that, because I have not been there to know why they have left. Some of the girls are earning 2s. a day piecework now. If a girl likes to work, she can earn a great deal more than 6s. a week.

687. *Mr. Hutchison.*] Is this a London firm?—Yes, with branches here and in Melbourne. It is R. Bell and Co.

688. *Mr. Mackenzie.*] Is it not a fact that in other occupations girls work for a time at first without getting any wages at all?—There is another factory in this town where they only pay 4s. a week for so many months, and where naphtha is employed—a more disagreeable smelling business.

689. *Mr. Hutchison.*] They are learning a trade?—So they are in our business. Some of our girls at Home earn £1 a week.

690. *Mr. Mackenzie.*] Your industry pays, at any rate, as good wages as any other industry pays to female workers to begin with?—Certainly.

691. You say you are selling yours at 3s. 6d. a gross. Bryant and May charges 4s.?—It is the laid-down cost, and the agents sell at 4s. 3d. and 4s. 4d. I undertake to say our matches are as good as any matches that can be produced here, and equal in quality to what can be landed at 4s.

692. *Mr. Tanner.*] You used four terms in referring to girls' wages. You said, "they should earn," "they can earn," "they will earn," and "they may earn," but you do not say "they do earn." Would you object to produce a pay-sheet for any particular week, so that the Commission might see for itself the actual amount paid?—I have no objection; but you can scarcely judge from that, because many of the girls, as I mentioned, stop away, and the amount we are paying now would be scarcely a fair criterion of what we shall pay when the factory is working under proper conditions in the future.

693. To make the conditions more favourable, suppose we allow the matter to stand over for, say, two months, when the Commission reassembles here. Will there be any objection to producing a pay-sheet then?—No; I will do so. I only returned to Wellington last week, and I hope I shall soon be able to get things into better working-order.

694. *The Chairman.*] Are the two factories in New Zealand not at present capable of supplying the whole of the local demand?—No, they are not.

695. When your factory is increased to the size you propose, the output of the two factories, I gather, will be amply sufficient to supply the local trade?—Yes.

696. Then, it follows, if you produce a sufficient quantity and at a less price than the same article can be imported at, the importation must cease?—Yes.

697. Supposing the whole business of the colony in wax matches is obtained by the local industry, what would be the total amount of stearine imported?—The total consumption would be from 12 to 15 tons a month.

698. What would be the quantity of paraffin-wax?—We use about 20lb. of paraffin-wax to 100lb. of stearine, equal to 30 tons, on which we pay duty.

698A. Chlorate of potash?—Three tons a month, valued at 7d. a pound, equal to £65 a ton. That pays 15 per cent.

699. Tin boxes?—Six hundred cases of tin boxes are used a month, six gross in a case, equal to 3,600 gross a month. The duty is 7d. a gross.

700. Can you tell us the duty in Victoria on "plaid" vestas?—1s. a gross.

701. And on No. 4 tins?—I cannot tell you, because they do not import any. They use nothing but plaids.

Mr. Philips: I am more conversant with some of the matters that have been mentioned than Mr. Bell, and I might say we have had a good deal of difficulty with regard to labour. The manager has done his best, but he has not been able to get girls who will stay at the work. Otherwise they would be earning considerable wages.

702. *Mr. Tanner.*] Have you been obliged to discharge any for inattention?—Yes. With regard to obtaining the supplies of material in the colony, we intend to obtain everything we possibly can here. I have interviewed the stearine people, and as soon as they can make a stearine hard enough they will get the order, and the same with glue.

Witness: I have arranged for the supply of both in Melbourne, and shall do the same here.

DEAR SIR,— Wellington, 22nd February, 1895.

With reference to the case of necrosis which occurred at our factory, and which I mentioned in my evidence, I fear that I led the Commission to come to a wrong conclusion in the matter. After stating that there had been a case, I was asked the question, "Did the man die?" Without thought at the moment I said "Yes," because, as a matter of fact, he did die shortly after, but he did not die of necrosis; he died from an accident he met with: and I may also state that I have never known a case of necrosis to be fatal, and the man who died whilst in our employ had quite recovered from necrosis.

I am, &c.,

The Secretary, Tariff Commission. CHARLES R. E. BELL.

(18.) FREDERICK CALTON examined.

703. *The Chairman.*] What is your name?—Frederick Calton. I am a maker of whip-thongs at Newtown, Wellington. Might I ask whether the evidence I shall give this afternoon will be published?

The Chairman: Not unless you wish it.

Witness: I prefer it being kept private, as otherwise it might do me some little harm with some of my customers.

704. *The Chairman.*] How long have you been engaged in this business?—About seven years on my own account. I have been employed in the business fourteen years in Wellington. The request I have to make is for the remission of the duty on kangaroo-skins for making whip-thongs, or the reduction of the duty to 1d. a pound at the most. It is now 3d. a pound. It was raised to that from 1d. at the last tariff revision. There are no skins dressed in the colony for whip-thong making.

705. Can this skin be distinguished from the kangaroo-skin used for shoemaking? Could they be distinguished by an amateur?—With a little instruction, I should think so.

706. It could be distinguished by an expert from other kangaroo skins?—Decidedly.

707. What quantity of skins (kangaroo) are used in connection with your industry throughout the whole colony?—There are two other makers in the colony. I import kangaroo- and wallabi-skins to the extent of probably £40 to £50 for three months, according to business. Sometimes there is a run on green-hide thongs, and we get that material here. I should say £500 would cover the value of whips imported in a year.

708. What is the value of kangaroo-skins?—From 3s. 3d. to about 4s. per pound. Latterly, for the last two or three consignments, I have only paid 3s. 3d. per pound. When the extra 2d. was put on kangaroo-skins no increased duty was put on the imported manufactured article. That still remained at 15 per cent., and I say it is only fair that the cost of my raw material should not be increased. I do not want any special protection in my trade, but I ask for the reduction of the duty on my raw material.

709. You say, further, that at the time the duty was increased to 3d. there was no increase in the duty on manufactured whips?—No; it still remained at 15 per cent. *ad valorem.* During Sir Harry Atkinson's Administration I brought this matter before the Customs, and he instructed that thongs should be admitted under the heading "Leather goods," and made 20 per cent.; but, through the influence of the wholesale importers, that was altered, and it went back to 15 per cent. on whips again.

710. Is kangaroo the only leather from which whip-thongs are made?—We also use green cowhide and calfskin, obtained locally.

711. Are the imported whips made of greenhide?—A large number of kangaroo thongs are imported from Australia, and the Australians are pushing their articles here at a low price. This

has done us a lot of harm. The last two or three months trade has been better, but last winter we were doing absolutely nothing.

712. Would an additional 5 per cent. secure you as against the Australian importation?—It will make some difference, and put us more on a level with the Australian people.

713. Do you want any distinction made between kangaroo- and wallaby-skins?—Wallaby comes in now at 1d. per pound, and we want kangaroo made the same.

714. What is the difference in market-value between wallaby- and kangaroo-skins?—At the present time it is about 6d. a pound, but some time ago it was more than that. I think the wallabies were reduced to help me in the matter, and they have done me a lot of good.

715. Was that reduction made at the time the duty on kangaroo was increased?—I do not know. After the last revision of the tariff I paid 3d. per pound on both.

Mr. Glasgow: As the tariff only mentioned kangaroo-leather, it was decided that we had no right to charge wallabies as kangaroo, so the benefit of the doubt was given to Mr. Calton.

716. *Mr. Stevens.*] Are there not large numbers of bridle-reins, headstalls, and martingales made in the colony from colonial-dressed hide?—There is a man in Wellington who makes very little else than bridles, and I make a few of them, but I have not sold more than half a dozen. There is so much work in them it does not pay.

Mr. Stevens: I know a man in my district who makes a good living by them.

Witness: The kangaroo-skins are not stout enough for them.

717. *Mr. Stevens.*] Would good thin cow-hide make as good a whip as wallaby-skin?—I think so, if you get the leather properly dressed.

718. *Mr. Tanner.*] Are there many whips imported into the colony annually?—Yes, a great many more are imported than are manufactured. A large number of Australian thongs are imported, to say nothing of English thongs. They came in as whips at 15 per cent. I make as many whips, or more, as any maker, and I suppose at the very most I do not make more than a thousand pounds' worth a year. Last year it would not amount to that—perhaps seventy or eighty pounds' worth a month. The highest quantity we made last month was fifty pounds' worth.

719. Do you find you suffer a disadvantage on account of bad skinning, or branding, or cutting by barbed wire in connection with colonial cow-hide? Do you lose much leather from this cause?—Occasionally we have cow-hide with a brand that interferes with us. I get specially good leather from Hirst's. His leathers are the best I have had, and are more free from marks than any other. I pay a little more, but it pays me to do so, and to get a better article. The calf-skins are badly cut, and make a material difference. I had one skin that cut double the quantity of another on account of the latter being cut in the skin. As far as barbed wire is concerned, I do not think there is much injury done to the skin from that cause.

TUESDAY, 12TH FEBRUARY, 1895.

(19.) COLEMAN PHILLIPS examined.

720. *The Chairman.*] What is the matter, Mr. Phillips, upon which you propose to address the Commission?—Chiefly drawbacks upon the exports to the islands, and the encouragement of our local outward trade; and I should like to inform the Commission of the present position of our neighbouring tropical outward trade, and in what manner our tariff can encourage it. The trade is a growing one. I am very anxious to see it encouraged for the general benefit of the colony. I revisited the Pacific Islands in December last after an interval of twenty years. The cargo of the s.s. "Upola," in which I went, consisted of sheep, cattle, pigs, fowls, ducks, turkeys, a large quantity of kauri building timber, boats, oars, piles for wharves, case-meats, keg-meat, rice, sugar, currants, onions, soap, sashes and doors, flour, cabin and fancy biscuits, milk in cases, nails, fowls' wheat, corrugated iron, potatoes, oats, rope, tea, herrings, salmon, sundry groceries, maize, harness, buggies, tip-drays (a good many), drapery, hams, cheese, eggs, butter (tins in case, and kegs in cloth), mouldings, joinery, ironmongery, bottled fruit (tomatoes, gooseberries, plums, &c.), jams of all kinds, tanks, New Zealand mullet, ridging and spouting, lime (hydraulic), anchors, brassware, bacon, bran, kerosene, tinned vegetables, photographic goods, sardines, malt, tobacco, salt, blue, cornflour, sharps, turnery, beer, stout, spirits, wire netting, glassware, lollies, corn-sacks (for cobra), split-peas, starch, sewing-machines, stationery, coffee, soups (in cases), vinegar, cigars, cigarettes, and 200 tons of coal. Of these, San Francisco also sends oars, sashes and doors, cabin and fancy biscuits (hundreds of tons), harness, tinned vegetables, &c. So that we have to consider San Francisco's competition as well as that of Sydney; not that we should be afraid of San Francisco if our tariff and harbour dues were kept low, but rather that our factories should turn out these special lines that I have named. Of course, there are regular monthly, and sometimes fortnightly, mail-steamers to Samoa, Fiji, and Noumea across the Pacific now. Milk in cases is obtained from Europe; so are bottled fruits (tomatoes, gooseberries, plums, &c.). I should think in both lines New Zealand could well compete, providing tinware and solder were free of duty, and no imposts placed in the way of bottle-makers. Dunedin, Oamaru, Christchurch, Wellington, Napier, Gisborne, and Auckland (chiefly) all share in the export of the above-named lines, so that the whole colony is directly interested in this special trade. Of the above monthly consignment, 3,737 packages were for Tonga and nearly 5,000 for Samoa, or 8,737 packages in all. The Fiji trade is an exactly similar one, but is carried on by the Union Steamship Company in the s.s. "Taviuni," which performs a monthly trip from Auckland. The Fiji trade is increasing in importance every year, and will be of great benefit to us if Sydney does not monopolize it. The s.s. "Taviuni" is 1,465 tons register, and is usually a full ship. The s.s. "Upolu" is 1,141 tons. The Rarotonga and Tahiti trade is carried on by the s.s. "Richmond" from Auckland, but three large schooners from San Francisco rather discount the efforts of the s.s. "Richmond." Personally, I am not satisfied with the work of the s.s. "Richmond," and I should like to see the Union Steamship Company put on a

vessel from Samoa to compete with San Francisco. I have been preparing for some time past a steam-line from Auckland to Brisbane direct *viâ* Noumea, which the authorities at Noumea would also like to see established. I think it a great pity that at least £8,000 a month in outward trade should not have been done with Noumea for years past, whilst the transportees were there. As to Brisbane, it is clear that, Queensland being a tropical country and New Zealand in the temperate zone, the two colonies could exchange productions with great advantage to both. We can sell Queensland potatoes, onions, oats, pressed hay, straw, bacon, hams, butter, cheese, and all other farm produce. Queensland can give us in return sugar. In those things alone there is a sufficient basis for exchange. Returning for a moment to the San Francisco competition—and as it stands affected by our tariff—I wish to point out that, as the United States will not allow vessels to trade free on their coasts, we ought not to allow American ships to do so upon our coasts. I have no objection to allow a direct discharge and reloading at Dunedin, Lyttelton, Wellington, and Auckland from America; but I think it unfair to allow American ships to undercut our own vessels by taking local cargoes. San Francisco now undercuts us, and Australasia generally, in the South Seas in timber, biscuits, flour, preserved fruits, buggies, drays, axes, locks, anchors, &c., although perhaps Adelaide flour and San Francisco flour are on a par. As to France, my wish is to trade freely and fairly, on equal terms, with my fellow French colonists in the Pacific; but not long since Fiji got from Auckland 400 to 500 sacks of flour a month for coolie-feed. There are great numbers of East Indian labourers at present in Fiji, and more and more will be imported to the islands as the planters require them. Noumea now undersells Auckland with an inferior flour, ground in subsidised French mills, for coolie-feed. That is not fair trading. Again, our vessels going to any of the French islands are not treated anything like as fairly as we treat French vessels coming here. The French officials treat our mariners with scant courtesy and considerable delay. It is the same thing with Germany. Germany would absolutely prohibit us trading at all with any island she has influence over if she could. There is bitter rivalry in the Pacific between the two people. From an Australasian standpoint, therefore, I am inclined to back up our own traders. Whilst I wish to say as little as possible upon the point, so as not to increase international difficulties, I trust the Commission will not lose sight of what I have stated. The colonies, of course, would have to act together in fair-trading opposition to the three countries above named. Representations might be made, however, to the three countries, so that trade might be perfectly free in the islands, and then let the best man win. As an Australasian I have no hostile feeling against any of these countries. I would rather trade upon friendly terms with them all. Australasia is not responsible for England's colonial policy, although we willingly accept our share of the policy. But Australasian trading institutions and Australasian steamers are going to have a very great say in this Pacific trade, and opposing countries must treat us fairly, or we must consider the matter through our Customs. The Commission will tell me, "Yes, Mr. Phillips, but we allow the usual amount of drawbacks upon goods exported to the islands, and that is all we have to do with the matter. Outside traders must settle their differences as best they can." Well, Sir, my reply is that I am not quite satisfied with the present allowance, although it may be a fair one, and I trust the Commission will take a broader view of this trading problem before I am finished. I have studied the matter for over twenty years, and I know that our future prosperity depends upon how it is treated. In my opinion, it is no use settling our Customs tariff without considering our neighbouring tropical trade, for if you do not consider it the settlement will be upset. With special regard to the competition of New South Wales, I desire to inform the Commission that the Treasurer of that colony, in March or April next, purposes bringing down a free-trade budget, placing New South Wales upon the same level as England in this respect—that is to say, not a dozen articles upon her Customs tariff. The Premier (the Hon. Mr. Reid), a far-seeing statesman, at a late meeting of the Commercial Travellers' Association in Sydney, stated that he proposed establishing a Government department especially to look after her foreign markets and outward trade; also that, as they (the commercial travellers) were the scouts of private business firms, he intended having trading scouts on behalf of the colony. These were not exactly his words, but they give the sense of what he said. All I hope is that the twelve articles retained upon the New South Wales tariff will not prove hostile to New Zealand farm productions. I returned from the islands by the s.s. "Ovalau," which came from Sydney. Her bill of lading consisted of—1,500 cases kerosene, 800 kegs beef, 500 packages hardware, 500 packages drapery, 200 cases soap, 200 sacks flour, 150 coils barbed wire, 50 sacks of maize (for Samoa), 250 cases lager beer from Germany, 100 cases whiskey and wine; total, 4,250 cases. Also a transhipment from India for Fijian coolies of 1,000 bags rice, and some cases of ghee, and some dholl (a kind of split pea). This consignment included also drums of oil, a large number of drays, sewing-machines, boots, oars, cigars, toys, paper, &c.; 2,564 packages for Fiji; 3,197 packages for Samoa; 234 packages for Vavau, 161 packages for Haapai, and 313 packages for Tonga, Tongan Group: 6,469 packages in all. As to the drawback question generally, to which I specially draw the Commission's attention, there is a difficulty about it. An island trader comes up to Auckland, he enters a store, and asks prices. These are quoted, and he at once says, "Why, I can get that 25 per cent. cheaper in Sydney." It is quite true; so he can, the difference being made up of three factors—(1) lower Customs dues; (2) lower harbour, city, and storage dues; (3) a cheaper freightage from Europe. I rather blame Auckland for not quoting a lower range of prices to island traders. In my opinion, they can do so, for steady steam-communication now makes the island business a cash one, and if Auckland wants the trade she must be prepared to quote lower prices. Hereupon Auckland merchants turn round and say to me, "How can we? First, we cannot reduce the Customs, although we get a certain amount of drawback, or keep the packages in bond as well as we can; but drawbacks do not cover all that is paid in Customs. Secondly, the port is heavily in debt; we have to pay £23,000 a year in interest alone, which must be met somehow. Thirdly, Sydney is the very heart of commerce, and gets its things out 10s. to £1 a ton cheaper than we do. Our New Zealand steam-lines coalesce

to keep up freights, whilst in Sydney there are opposing steam-lines. What we want is the P. & O. to come here and cut things down a bit. Why, we pay £1 10s. more a ton in freight alone for some of our goods than Sydney." Now, whilst this Commission has nothing to do with freights, it has with drawbacks, and perhaps, for the benefit of the whole colony, Auckland's shipping charges. I would therefore ask, sir, to take carefully these drawbacks into your consideration when you go to Auckland, and to recommend Parliament to allow the greatest liberality with respect to them in future. Do not, however, pay too much attention to what the Auckland merchants say. They are an excellent class of men, but they appear to me to consent far too readily to San Francisco and Sydney cutting them out in trading matters. They must fight tooth and nail for New Zealand's tropical trade, and if they do so our "potato and onion" will stand good to them in the struggle. I look to the people of Auckland to push our outward trade, and not to give in to any opposition. And this matter is of more importance than at first sight it appears. By the late alteration in the Union Steamship Company's steam route a monthly steamer leaves Auckland for Tonga, Samoa, Fiji, and Sydney, whilst the returning monthly steamer leaves Sydney for Fiji, Samoa, Tonga, and Auckland. The general opinion now is that the lower Sydney prices must mean the complete wiping-out of our commerce in this direction—for example, a trader in Tonga, as a trial, within the last few months sent a duplicate order to Sydney and to Auckland. The price quoted in Auckland for the whole order was £25, whilst the Sydney price was only £15 17s. 6d. Drapery and ironmongery, too, are far cheaper in Sydney than in Auckland. Kegged meat, 11s. 6d. in Auckland, 9s. in Sydney. Flour from Adelaide and Melbourne landed £2 a ton cheaper everywhere. Whilst, therefore, I wish every liberality granted in the shape of drawbacks, I do blame Auckland merchants for not quoting lower prices. In my opinion, they can do so if they like. The Commission certainly might consider the advisability of the colony's relieving Auckland of its harbour debt, so as to allow island shipping as cheap port charges there as it finds in Sydney. We cannot blame the Union Steamship Company for throwing the trade into Sydney, because, if that company's vessels had not agreed to run as they are running, Sydney would have put on her own steamers. All I trust is, for the preservation of our island trade, that, until New South Wales treats us fairly, the Union Steamship Company will not throw any more advantages into Sydney's way. For even in potatoes and onions Sydney can compete with us. Sydney employs now the very smartest commercial travellers she can get among the islands. The "potato and onion" question is really a very vital one. It is generally admitted in the tropics that New Zealand can grow good potatoes, onions, maize, &c., and that the people there can rely upon their keeping-qualities. For four months in the year San Francisco sends them potatoes and onions; for eight months they have to rely upon New Zealand. But if Sydney is going to monopolize all other branches of trade, our supply of farm produce must languish, and perhaps die out. Of course, in a year of drought New Zealand would come in, as she would in Australia itself; but, if Sydney is going to take the general trade, Sydney will also supply potatoes and onions. Now, I do not think that the Sydney potato and onion (I use these two words by way of example for all our farm produce) are of such good keeping-properties in the tropics as the New Zealand articles; but I desire to point out to the Commission the vast extent of the neighbouring tropical market, so that in framing its report to Parliament the Commission may encourage our outward trade in those things in which it is acknowledged we can beat Sydney—namely, potatoes, onions, bulbs, cheese, hams, bacon, jams, oats, preserved milk, &c. I particularly wish to emphasize this point, for if the Commission looks at it as I do it will do the very best thing it could do to encourage and make prosperous our small-farm settlements. And I would say something here to the New South Wales farmer: that it is no use his sending a bad-keeping quality of these things to the tropics, else San Francisco will get the trade. Therefore I should like to see the Sydney people import free our New Zealand productions for their eastern tropical trade. We produce the best; therefore let them sell the best, and cut out San Francisco. Attached is a map,* upon which I have roughly marked the outward trading routes that I wish to see encouraged. I will name them as follow: (1) Auckland to Tonga and Samoa; (2) Samoa to Rarotonga and Tahiti; (3) Samoa to the Union Group, Ellice Island, the Gilberts, Wallis Island, and other interinsular neighbouring islands; (4) Auckland to Fiji; (5) Fiji (interinsular, collecting); (6) Fiji to Vila (New Hebrides), and on to the Solomon Islands; (7) Auckland to Noumea and Brisbane; (8) Brisbane to Java, Singapore, Calcutta, or Bombay (unless with horses, when direct from New Zealand); (9) Brisbane to New Guinea, the Philippines, Hongkong, and Japan; (10) New Guinea (interinsular), and to the Carolines and Ladrones; (11) New Zealand to Adelaide and Western Australia. Perhaps, for the information of Parliament, and for any tariff concession, after due inquiry, you may deem it advisable to recommend herein, your Commission would have a similar map prepared. The steamers would, of course, collect cargo from a far greater number of islands and places than I have marked out upon this map. My object in going to the Philippines (Manila) is to bring back a supply of manila fibre to mix with our own flax fibre. I can see no reason why we could not then, from New Zealand, supply to the neighbouring eight hundred million people (whose countries I have referred to above) a fair rope for their shipping and boating purposes, just as well as Europe now supplies them. The number of small craft used upon these coast-lines is surprising. I can see little use in shipping these fibres Home, half-way round the earth, only to be brought back again in the form of rope. I think that New Zealand might cultivate to the utmost this special branch of trade, and supply the whole of the Australasian Colonies too with a good rope. The following rough table of distances I have obtained for your guidance: Auckland to Noumea, 1,055 miles; Sydney to Noumea, 970 miles; Noumea to Brisbane, 795 miles; Noumea to Fiji, 790 miles; Fiji to Samoa, 650 miles; Samoa to Rarotonga, 840 miles; Rarotonga to Tahiti, 700 miles; Samoa to Tahiti, 1,200 miles; Auckland to Tonga (Nukualofa), 1,100 miles; Nukualofa to Haapai (Tonga), 132 miles; Haapai to Vavau (Tonga), 82 miles; Vavau to Samoa, 345 miles; Auckland to Rarotonga (direct), 1,700 miles; Auckland to Fiji, 1,157 miles; Noumea to Vila (New Hebrides), 293 miles; Vila to San Christoval (Solomons), 760 miles; Apia to Wallis Island, 270 miles; Wallis

* *See* Appendix.

Island to Fotuna, 120 miles; Apia to Ellice Island, 600 miles; Ellice Island to centre of Gilberts, 480 miles; Apia to Union Group, 300 miles; Union Group to Phœnix Island, 340 miles. I have also collected as well as I can the following steam routes at present regularly running: (1.) The Union Steamship Company's steamers—Auckland to Sydney, *viâ* Tonga, Samoa, and Fiji and back (ss. "Upolu" and ss. "Ovalau"); Auckland to Fiji and back (s.s. "Taviuni," and the "Maori," an interinsular Fiji boat). (2.) The s.s. "Richmond," running to Rarotonga and Tahiti monthly, 500 tons, subsidised, I believe, by New Zealand by £1,200 per annum. (I suggest that this subsidy in future be put up for public tender). (3.) The s.s. "Archer" runs from Sydney to Fiji and the Line Islands (Gilberts, &c.), collecting copra; three-monthly trips: calls also at Samoa. (4.) The Sydney steamers to Fiji, fortnightly; these call at Noumea, and once a month at Vila (New Hebrides), which is not much out of their way. (5.) The French Messageries boat, the "Tanais," to Noumea, regularly, and sometimes calling at Vita. (6.) The French mail, the ordinary mail Messageries steamer to France calling at Noumea. (7.) The Huddart, Parker Vancouver service to Sydney, calling at Suva (Fiji) monthly each way. No special mail arrangements with New Zealand, but £1,500 subsidy from the Fijian Government, and free harbour dues. (8.) The German steamer "Luleck" trades from Singapore to German New Guinea. (9.) The ordinary New Zealand and San Francisco mail-service *viâ* Samoa. (10.) The s.s. "Ohau," from Melbourne to Suva (Fiji), *viâ* Sydney, but straight back: a cargo-boat belonging to our own Union Steamship Company. (11.) The local time-tables of the general Australasian steam companies. The return cargo of the "Ovalau" comprised chiefly sugar, bananas, and copra. A considerable quantity of copra will be shortly shipped by steam in place of sail, and a lot of it will come down to New Zealand to assist in filling up our own Home vessels, providing the Commissioner encourages this island trade. Tonga and Samoa alone must export 10,000 to 12,000 tons of copra yearly. But we might extract the oil from some of the copra in New Zealand, and send the oil Home, or manufacture it ourselves. Generally the whole of the neighbouring tropics can take our farm and station produce; also a certain quantity of light woollen fabrics are used; so that the Commission should not overlook encouraging the output of our woollen factories. In exchange New Zealand takes rice, corn-sacks, wool-bales, manila fibre, Japanese goods, raw and refined sugars, &c. In many of the islands there are considerable quantities of the most beautiful hardwood trees, which will come in useful shortly for paving purposes. The woods in the tropics are very hard (like teak and mahogany) or very soft. Our own building timbers are therefore preferable for house-building purposes there, and a large trade is springing up in that direction. A fair number of boats and schooners are built in Auckland for the tropics, particularly boats. Shipbuilders' material should therefore be admitted as duty-free as possible, so as to encourage our shipbuilding trade. New Zealand should most certainly tin up and preserve milk and vegetables for tropical use; also a good sample of butter. I hope no duties will be placed upon material required in this branch of trade. Any bonus granted for the production of beet sugar will be suicidal, as it will only injure our trade in sugars with the neighbouring tropics. Fiji contains the largest sugar-mill of any tropical country, I suppose, and the best fitted out: 400 to 500 tons of sugar at a time are often brought in by the monthly steamer from Fiji. The back freight in sugar keeps down the cost of the outward freight. Herein New South Wales' greater population comes in: they require more sugar. Had New Zealand a million and a half of people the freights would be much cheaper for us than at present. Whether Parliament thinks it advisable to encourage any of these trading routes by granting mail-subsidies, say, to the Union Steamship Company to develop them is a matter upon which I can at present say nothing. All I know is that had Parliament twenty-five years ago granted subsidies to these trading routes in place of plunging us into a public-works policy and a heavy debt Customs dues would not now be felt at all, and our village settlements and small farms would be thriving, in consequence of their having local and neighbouring markets for their produce. As it is now, our productions are brought down to our chief ports by the railways, there accumulate, and have to be shipped to England whether there is a market for them or not. With regard to exchange with Australia, had New Zealand an open market in New South Wales I would not ask the Commission to protect to the very utmost of its power our present trade with the Pacific islands. But, seeing that Sydney is closed against us, our bounden duty is to protect the outward trade we have. If Sydney and Australia generally agrees to intercolonial free-trade I have little to complain of, and I would assist Sydney in developing our trade with the tropics. It may not, perhaps, be known that New Zealand maize keeps longer in the tropics than other maize; it does not get so weevily. An order came up from Noumea to an Auckland merchant lately, who happens to be a friend of mine, for two thousand sacks, but it was not supplied. The natives of Tonga and Samoa are taking to eating our ordinary bakers' bread in place of their bananas and breadfruit. This must soon mean a large demand for flour, as there are some sixty thousand natives in the two groups of islands. They pay for anything they buy in copra (the kernel of the cocoanut): 16lb. to 18lb. of dried copra and 30lb. of wet copra for 1s. is the present rate of exchange. Tinned New Zealand mullet is well liked in the islands. We have also to send annually a considerable quantity of coal down there, and more will be required unless Japan steps in. There will shortly be a considerable tourist traffic through these tropical countries from New Zealand. The sort of steamer required is one like the "Luleck," with cool cabins on the upper deck. I need not say that a large tourist traffic pays the railways, steamers, and hotels. From all these different points of view, I trust the Commission will not come to a decision as to what our tariff should be without considering the growing trade with our neighbouring tropical and Australasian markets; for, if we can supply £300,000 per annum to the tropics, and £700,000 to the Australasian Colonies, it is clear that our ports should be made as free as possible, especially in the way of drawbacks, to allow us to perform the work. This matter affects the whole of our small farmers, as I have stated above, and upon their prosperity as producers depends the prosperity of the colony.

721. *Mr. Hutchison.*] You say you came back *viâ* Sydney, Mr. Phillips?—No; direct from Samoa *viâ* Tonga. The Union Steamship Company have altered the route of their line of steamers, and it is a very serious thing for New Zealand. People say it is going to ruin our trade. The Union Steamship Company used to leave Auckland and go to Tonga, Samoa, Fiji, and back. Now they go from Auckland to Tonga, Samoa, Fiji, and Sydney, and another steamer comes from Sydney back to Fiji, Samoa, Tonga, and Auckland. The Sydney people have taken advantage of this, and put on travellers, and are cutting us right and left. In my opinion, the Auckland merchants are charging too high for their goods.

722. *The Chairman.*] What populations do you count in the eight hundred millions?—Those of India, China, and the whole of Eastern Asia. I understand a subsidy of £1,200 a year is paid to the "Richmond" for trading to Rarotonga and Tahiti, and I should like to ask if that is so?

Mr. Glasgow: I do not know. It might be a postal matter.

Witness: Fiji allows importation free of harbour dues.

The Chairman: It is a question for the Commission to consider, whether it can make any recommendation on that head.

Mr. Mackenzie: I believe we went into some questions yesterday in connection with the Labour Department quite as germane as the question of recommending some alteration in the system of port charges.

723. *Mr. Tanner.*] Is the sugar imported from Fiji in the raw state?—I think it is partly refined. There is an immense mill in Fiji.

Mr. Glasgow: The statistics show that raw sugar is imported from Fiji, but no refined sugar.

724. *The Chairman.*] Broadly speaking, Mr. Phillips, you suggest that the most practicable way of fostering trade with the islands, and meeting the competition of Sydney, is by a liberal system of drawbacks?—Yes.

725. You do not ask that the tariff should be so altered as to admit duty-free a number of articles that are revenue producing, but you ask that these duties should be remitted in case of the goods being re-exported to the islands?—Yes.

726. We understand you to suggest that the Commission should point out to the Government the desirability, in making any mail arrangements over the routes you mention, of making conditions which, at any rate, would not operate against ourselves, but rather in our favour; and you point out that the conditions in connection with one mail line now give to Sydney an advantage it did not possess under the previous arrangement?—That is so.

727. You also suggest that a good deal might be done in supplying rope to the East. How is this to be assisted through the tariff? Do you assume that the rope you speak of is to be made from manila fibre?—From New Zealand flax and manila.

728. Then, we could not assist the industry by taking off any duty, seeing that none exists?—It might be assisted by taking off the duty on the machinery used in the manufacture, which is at present 20 per cent.

729. Then, it would follow that all rope-manufacturing machinery imported into the colony must be similarly treated?—Yes; I should like to see New Zealand free.

730. With regard to potatoes, butter, cheese, and oats of New Zealand production, how are we going to cheapen these with a view to commanding the island trade as against Sydney?—By specially subsidising the steamers on some of the lines proposed, and by getting the Custom and port dues reduced as much as possible. I do not want the Commission to assist our own productions, which can protect themselves as against the other colonies.

731. With regard to the items we ourselves import, obviously the only assistance we can render is by way of drawbacks?—Yes.

732. You also ask that shipbuilders' material might be allowed in, as much as possible, duty-free?

Mr. Glasgow: Such material is virtually free.

733. *The Chairman.*] You mentioned the probability of a considerable trade springing up in flour in certain groups of islands owing to the natives having acquired a liking for English bread: what is the population of the groups where this has taken place?—Tonga, 30,000; Samoa, 30,000; Fiji, 40,000.

734. Is the habit likely to become general?—The liking for bread is spreading.

735. Is there anything else which you would like the Commission to consider, Mr. Phillips?—I have deleted from my evidence certain portions which I was afraid the Commission would think inappropriate; but, as I am told the Commission is also for the purpose of encouraging our foreign trade, I will now mention them. The most practical way of dealing with and assisting our foreign trade is, in my opinion, as follows: (1.) To reduce or pay off our public debt. (2.) To reduce Customs duties to the Sydney level. (3.) To take away the borrowing-powers from Harbour Boards, which have proved so harmful in the past; cease harbour-making, take over their past expenditure, and reduce port charges all round. (4.) Our merchants to see that corrugated iron, kerosene, hardware, &c., are brought to New Zealand as nearly as possible within the Melbourne and Sydney rates, and not to rest content until this is effected. I need hardly point out to the Commission that these things involve very broad questions of statesmanship, and it is exactly as they are handled now that our small-farm settlements will be prosperous or otherwise. We may overdo the London butter market, and, unless we then have this neighbouring local tropical trade to fall back upon, many of our small farmers must throw up their farms. Yet upon the prosperity of our small farms depends, of course, the prosperity of all our manufacturing interests, and I am much surprised at the present craze there is for protection, two out of three persons coming before this Commission asking for protection of some kind. I would therefore respectfully point out to the Commission that we have close to our doors (in comparison with England) the largest markets in the world to exploit, and our duty is to render New Zealand as free as possible.

736. *Mr. Hutchison.*] I gather generally that it is due to the apathy of the Auckland merchants, more than anything else, that the trade is likely to slip from us—by their quoting these high prices? —They are not apathetic, but they might be more pushing. I rather think the New Zealand people generally are apathetic in not pushing their potatoes and onions Our onions maintain their quality and "hardness" after being in the islands for some time. None others will keep like them.

737. How can the farmers push trade more than they are doing?—The farmer does not get a show at all. For twenty years I have been trying to get the tariff lowered, or Parliament to assist the farmer, so that he can sell his onions; but Parliament does nothing but expend money upon public works, increase taxation, and raise the tariff, which means greater port- and city-storage charges, thereby increasing the cost of goods as against Sydney. We have a fortune in our outward tropical trade if we only follow it. But all Parliament has done for twenty-five years is to make a lot of costly railways which are before their time.

738. *Mr. Tanner.*] Would it not be better if the trade were done direct with Lyttelton, which is the centre around which the agricultural produce you refer to is mostly grown?—Yes.

739. *Mr. Hutchison.*] I suppose the island trade is done by two or three firms?—There are a number of German firms and Australian firms in it, and twenty or thirty different stores in Apia.

740. *Mr. Tanner.*] Samoa would have a bigger trade than any of them, and larger vessels engaged in it?—No; it would be larger than Tahiti or Rarotonga, but France owns Tahiti, and Germany does a lot of business with Samoa. It is contemplated now to buy out the German interest there.

741. Who is going to do that?—Dalgettys are interested in the trade now, and Woods, Forsyth, and others, of Sydney.

742. *Mr. Hutchison.*] Would not a syndicate of that kind have a prejudicial effect on trade generally by preventing people going into it?—It would have a very beneficial effect. There was little or no trade with North Borneo until the Crown granted a charter to the North Borneo Trading Company in 1882. The pity is that Sir Julius Vogel interfered in 1874 with my obtaining a Pacific charter.

743. *The Chairman.*] I understand you to say that this company is not necessarily going to monopolize the trade, but that it is going to buy up the existing land-claims?—There is a certain German commercial interest in Samoa, and the suggestion is to buy out that interest. I think it a fair suggestion, and perhaps the best settlement of the present difficulty. The Imperial Parliament to assist also.

744. *Mr. Hutchison.*] What is the copra made from?—It is the kernel of the cocoanut, which is dried, and the oil is extracted from that.

745. *Mr. Stevens.*] You suggest, I think, that facilities should be given for the importation of manila fibre for rope-manufacture. Do you think, if manila were imported, we could procure labour here sufficiently cheap to make it into rope and sell it, at a profit, to the South Pacific or India?—I think the time is coming when labour will have to take its fair rate. I am looking five or ten years ahead. It is impossible for Parliament to keep wages above their proper level. A brisk foreign outward trade would send wages up, but Protection will keep wages down.

746. Taking the principal port in the East—Calcutta—what quantity do you think we could dispose of there?—I believe we could sell a certain amount of clothes-line much cheaper than manila if made of New Zealand flax.

Mr. Stevens: I have taken two of the finest samples of New Zealand flax to Calcutta, and have asked two ropemakers what quantity they would require, and one said 5 tons a year, and another 10 tons a year. I believe the amount of such sales would not pay for the postage on correspondence. All kinds of small ropes and lines are made there, and all rope used for shore purposes is made from jute, at a cost 50 per cent. less than we could possibly make it in New Zealand. There would be no hope of our competing with India in that respect.

Witness: I should like to say that I find, as our trade progresses amongst these islanders, that their cheap goods, such as jute rope, disappear before our superior ones, and they pay a larger amount for an article one would think they would not buy at all. With respect to jute rope, I think jute fibre rots quickly in salt water, and that it is not used by our royal or merchant navy. Its tensile strength is so poor that no one uses jute sewing-twine for wool-bales when other twine can be got: it breaks so easily. I should say that jute was good for baling and sacking, but not for rope.

747. *Mr. McGowan.*] Do you know anything as to the quality of the flour exported to the islands? Is it of the same quality as used in this colony?—The same, excepting an inferior flour supplied to the coolies in Fiji.

748. My experience is that the flour exported to the islands is very much inferior in quality to that used here. I refer to the exports from the Auckland mills; so if other countries are able to undersell us in the goods you mention it would be useless for us to attempt to compete with them in flour?—I do not think we can now, in the best flour, but we ought to be able to do so. Adelaide is a slightly drier flour, and may keep better than New Zealand, but in all the products of flour, such as biscuits, we ought to be able to compete.

749. *Mr. Mackenzie.*] I gather that the reason we are not doing the trade is because the existing service gives Sydney an advantage over us, and on account of the low port charges and low freights?—Yes.

750. That applies to goods brought from abroad to Sydney, and not to goods produced in Sydney as a rule?—Yes.

751. Therefore, with regard to our own products, you are of opinion that we can, with the exception of inferior flour, do as well as Sydney, and ought to?—Yes, as well as anywhere.

752. And, in order to develop that trade, we should not put duties on any articles required for the production of those goods we wish to export?—Yes.

753. You refer to butter as a likely article. Would they take cheese?—Yes.

754. Therefore, you would not increase the cost of the factory that produces it by the imposition of any duty?—No.

GEORGE HUTTON POYNTER examined.

755. *The Chairman.*] What are you Mr. Poynter?—A bootmaker, residing in Tinakori Road, Wellington. I have been in the trade fifty years, and over twenty of it in New Zealand.

756. We understand you wish to speak to the Commission respecting the tariff?—Yes. The following leathers used in the boot-making trade cannot possibly be manufactured in the colony, and I think they should be admitted duty-free: Persians, white roans, *glacé* kid, mock kid, and patent calf. [Samples put in, also pair of manufactured boots made by witness of *glacé* kid.]

757. Have you any knowledge of the total amount of all this material used in the colony in a year?—No. I have been for more than twenty years trying to manufacture this article (boots of *glacé* kid) at a profit, but hitherto have been quite unable to do so, on account of the duty on the materials. If they were cheaper I could keep a dozen men at work.

758. Would you be able to supply the local demand?—Possibly I could. I manufacture these boots for the D.I.C., but it only gives wages. They are made by hand.

759. How many men could be employed if the colony had the making of all those classes of work?—Some hundreds, if all these goods were made in the colony.

760. Can you tell us the cost of this leather per pound?—Persians, £2 2s. per dozen skins; mock *glacé* skin, 5s. 3d. per pound; white roans, £3 2s. a dozen; patent calf, £10 a dozen skins; roans, £2 3s. a dozen skins.

761. Do you use any kangaroo-skin?—Yes; and crup and porpoise.

762. What is the average weight of one of those skins?—Three quarters of a pound.

763. How many uppers can be got from a single skin of *glacé* kid?—About five pairs of uppers, and not more than two pairs of boots. It is not so much the duty of 2d. per pound. We do not expect to get more than 6d. or 8d. on a pair of boots. The profit is all made up of small amounts, and therefore the 2d. is a great proportion.

764. What other materials are there you also wish to be free of duty?—Cordovan leather, at present taxed 2d. per pound, and the articles needed for high-class ladies' work—viz., linings.

765. What about sole leather?—We would like to get some sole leather free, but we have the Christchurch sole leather, which answers very well.

766. You only ask that the fancy leather used in the uppers should be free?—Yes.

767. Is there any duty on silk laces?—Yes.

768. *Mr. McGowan.*] Is there any reason why this leather should not be made in the colony?—I believe there are men who can make it, and colonial sole leather would be guite equal to Home leather if it could be kept longer in stock.

769. Are you aware that patent calf is free of duty?—No.

770. *The Chairman.*] You say that the profits are small on this high-class trade, but that it could be carried on in the colony if the materials were free. You complain that at present nearly all the materials are dutiable, and you ask that they should be free?—Yes.

771. Are the silks used in the uppers dutiable?—No silk is used.

(20.) SAMUEL CARNELL, M.H.R., examined.

772. *The Chairman.*] What is the subject, Mr. Carnell, you wish to bring before the Commission?—The question of photographers' requisites—namely, bromide, or printing paper. The dry plates used in the trade are duty-free, but gelatine and chloride paper are charged 25 per cent. The same chemicals are used in the preparation of this paper as in the dry plates, and I have been deputed by the photographers to ask that gelatine and chloride paper be placed on the free list.

773. Could those things be made in the colony?—The materials cannot be obtained in the colony.

774. What is the amount of paper imported?—It is a mere bagatelle, and we do not so much complain of the amount of duty, but in Sydney the same material is duty-free, and the Sydney people supply the market with the finished goods. It is a direct tax upon photographers, and the amount involved is not sufficient to be of great moment to the Customs.

[Received too late for insertion in proper place.]

MEMORANDUM with reference to Value on which Duty is paid in New Zealand.

WITH reference to the recommendation of the deputation of soft-goods importers in Wellington that all trade and cash discounts should be allowed and duty should be paid on the actual amount paid by an importer, I beg to draw attention to the New Zealand law, as shown in the accompanying extracts from the Customs Acts.

It will be seen that the object of the law is to fix a definite standard of value, so as to make the amount of duty payable by each importer the same. Although the rate is the same, there will be inequality of payment if the value is not, within reasonable limits, the same.

The great advantage of fixed rates of duty is the fact that all importers pay alike. If *ad valorem* rates are adopted, it is therefore on the same grounds highly desirable that the value on which such rates are calculated shall be as far as possible the same.

This value is defined by the present law to be the ordinary selling-price in the country of export. These values can be verified by Customs officers by published price-lists, &c.

If the recommendation of the deputation were adopted and all special discounts, over and above the usual trade discounts granted to all purchasers alike in the country of export, were recognised, such discounts could not be verified and the department would have to depend entirely on the

honesty of the importer. Discounts shown on invoices could easily be adjusted in accounts as between the shipper and the importer.

Special discounts are given when a contract is made to take a certain quantity over a given period of time, also when a purchaser contracts to deal only in the goods of a certain shipper. There are other cases, but these are the principal.

Any other standard of fair market value in the country of export than that in force would be unsafe in the case of consignments. There is a tendency to undervaluation of consigned goods. There is no transaction as between buyer and seller, and the invoice sent out by the shipper cannot in all cases be depended on in verification of the true value for duty. Any vagueness as to what is to be considered the value for duty would render consignments difficult to be dealt with. It is with cheap consignments that regular traders find it most difficult to compete, and the same remark applies to many local industries.

I think the suggestion of the deputation is in the interests of large firms which can command large capital, and if adopted it would tend to the establishment of monopoly of importation in many leading lines of merchandise. For the above reasons, the suggestion should be received with great caution.

W. T. Glasgow,
Secretary and Inspector of Customs.

18th February, 1895.

"*The Customs Laws Consolidation Act, 1882.*"

Sec. 39, as amended by sec. 16 of "The Customs and Excise Duties Act, 1888."—In all cases where any duty is imposed on any goods imported *ad valorem*, or according to the true and real value of such goods, such value shall be understood to be the fair market value thereof, when sold for home consumption, in the principal markets of the country whence and at the time when the same were exported, including the value of the case, cask, or covering of any kind in which such goods are contained, with ten per centum added.

Sec. 40.—The fair market value for duty of goods imported into New Zealand shall be the fair market value thereof, in the usual and ordinary commercial acceptation of the term, at the usual and ordinary credit, and not the cash value of such goods, except in cases in which the article imported is, by universal usage, considered and known to be a cash article, and so *bonâ fide* paid for in all transactions in relation to such article; and all invoices representing cash values, except in the special cases hereinbefore referred to, shall be subject to such additions as, to the Collector of the port at which they are presented may appear just and reasonable, to bring up the amount to the true and fair market value as required by this section. No discount for cash shall in any case be allowed in deduction of the fair market value as above defined, nor shall goods be admitted to entry at cash value, except where it is satisfactorily shown to the Collector that such goods can be purchased only for cash, and then it shall form a part of the declaration of the importer that the cash value of such goods was paid at the time of purchase.

Sec. 41.—In any case where goods are chargeable with a duty *ad valorem* under any Act in force imposing such duty, such value shall be verified at the time of entry of such goods by the production to the Collector or other proper officer of the genuine original invoice of the manufacturer, merchant, or person from whom the same were purchased in the country whence the same were shipped, showing the actual prices paid, or to be paid, by the importer for such goods.

"*The Customs and Excise Duties Act, 1888.*"

Sec. 15, as amended by sec. 2 of "The Customs and Excise Duties Act Amendment Act, 1893."—No deduction of any kind shall be allowed from the fair market value of any goods imported because of any special arrangement between the seller and purchaser having reference to the exportation of such goods or the exclusive right to the sale thereof within certain territorial limits, or because of any royalty payable upon patent rights, but not payable when goods are purchased for exportation, or on account of any other consideration by which a special reduction in price might or could be obtained.

(21.) Monday, 11th February, 1895.

William Cable examined.

775. *The Chairman.*] What are you, Mr. Cable?—An engineer and ironfounder, in business on Waterloo Quay, Wellington.

776. How long have you been connected with that business?—Thirty-three years, seventeen of which in Wellington.

777. What is the matter you want to bring under the notice of the Commission?—I wish the following articles, manufactured or partly manufactured, which are imported, and which are absolutely necessary for the carrying-on of this business, admitted duty-free: Engineers' bolts and nuts (all sizes, from ¼in. to 1¼in.), iron nuts (blank, tapped, or screwed), engineers' set pins, studs—(when the tariff of 1888 was compiled engineers' bolts and nuts were taxed 20 per cent., but no mention was made of pins or studs. I find the Customs authorities are very progressive, and they put everything under the 20 per cent.)—split pins, steam and hydraulic pressure vacuum-gauges, plumbago crucibles, engine-governors, boiler material (manufactured and partly manufactured, and including furnaces, corrugated, welded, flanged or unflanged, or welded of any sort, and boiler-tubes, boiler stay-tubes, and mountings, and boiler-ends, 6ft. or over, flanged), and engineers' tools generally.

778. You claim that a crucible is an artificers' tool?—Yes. They seldom last over a week, and sometimes burst the first time they are used. At present they pay 20 per cent. Boiler-tubes up to 4in. diameter are free, over that the tariff is 20 per cent. Boiler-ends 6ft. and over pay 20 per cent., under 6ft. they cannot be flanged in the colony. By engineers' tools I mean all machine tools and appliances used by engineers, boilermakers, and ironfounders.

779. You ask that the whole of these items should be admitted free?—Yes.

780. Have you any idea what is the total value of each of these items imported into the colony yearly?—I fancy you would find the engineers' tools in the Customs returns.

781. What quantity of bolts and nuts would you use in your foundry in the course of a year?—It would depend upon the state of trade; from 3 to 4 tons. Each of the factories in Wellington and the other towns would use about the same. Twenty to thirty tons a year would represent the consumption of the whole colony.

782. What is the value per ton?—The wholesale price per hundredweight is about £1.

783. What is the value of the steam-gauges imported during the year?—Twelve and sixpence is the price of this one [produced], and I would import six or twelve in the course of the year. They have to be imported, because they are not made in the colony, and are not likely to be. The amount of duty on plumbago crucibles would not be a revenue question at all.

784. I suppose the engine-governors are used in the manufacture of engines?—About half a dozen firms use them, and perhaps fifty governors would be enough for the whole colony for a year. The average price is £10 each. Engine-builders in the Old Country, where there is no Protection, find it to their advantage to send their orders to the special shops where these articles are made. The firm which builds an engine will not make a governor. We have the more need to send to the same place, and to get them free.

785. Have you considered what amount of boiler material is imported into the colony?—This is all used for high-class boilers. We put up a number of them while the freezing industry was being developed, but they are not now much required.

786. Do you use it in connection with creameries?—The only items used would be steam-gauges, and engine-governors, and to take off the duty on these would not affect the revenue in any appreciable degree. Boilers for freezing companies are free; but, if I received an order to make a boiler and sent Home for these articles as manufactured articles, they would have to pay duty in the first case, and then I should receive a rebate on the boiler being built.

787. Boilers imported for creameries and used for agricultural purposes come in free; but if you import parts of these boilers and put them together here, what duty do you pay on the parts?—I used to get a rebate on the freezing company boilers because we could prove they were for agricultural purposes; but if I ordered twelve governors I could not say I ordered them for a special purpose. Therefore I have to compete with an engine that comes in free, and pay duty on the governor.

788. Would the boiler-tubes and mountings be a revenue question?—No; nor the boiler-flanges.

789. *Mr. Tanner.*] Could not they be made in the colony?—Oh, no. These, being welded in special gas-furnaces, cannot be made with advantage in the colony.

790. Can engineers' tools be made in the colony?—No. They are free; but if I order a blower, to blow a smith's fire, I have to pay 20 per cent. They cannot be made here with advantage.

791. Do you draw any line of distinction between a tool and an appliance?—No.

792. Do you know the distinction drawn by the Customs authorities?—I know engineers' tools are free, and I have to pay on the appliances. A pair of bellows would be free, but if I import a fan with a circular motion instead of the bellows I have to pay 20 per cent.

793. *Mr. Hutchison.*] None of these things can be made in the colony?—Not with any advantage. There are no special manufacturers here of these things, and people in the same line of business as I am in at Home go to these special shops for their supplies.

794. But we want to get something made in this country if we can?—I shall be very happy to take orders; but at present there is nothing doing.

795. When are we likely to have local industry employed in these particular things?—We shall be very far from here before there is any sufficient demand for them. There is no probability for the next fifty years at least.

796. *Mr. McGowan.*] Cannot the screwing of these tubes be done in the colony?—Yes, but not with anything like the advantage you can buy them ready made, with or without duty.

797. *Mr. Tanner.*] Did I understand you to say that stay-tubes are dutiable?—Yes, if screwed. That is a point that is not settled even amongst the Customs. Some officers make them free, and others make you pay duty.

798. *The Chairman.*] Would the mere fact of the screw being put on make them dutiable?—The Customs say so.

799. *Mr. McGowan.*] Because you can screw them here?—They cannot be screwed to advantage. It would cost as much to screw one as to import a dozen.

800. *Mr. Tanner.*] I notice you do not mention the iron and steel rivets used in boilers?—They come in free at present.

801. Would you prefer them to continue to come in free?—Most decidedly.

802. Is there any probability of their being made in the colony?—It is done by some foundries in Government bridge-work. They have had to make them because it was in the specifications.

803. Has any attempt been made locally to make them for the trade generally?—No.

804. Is it a fact that boilermakers, when out of work, and at their wits' end as to what to do, have offered to make them?—I have never heard of such a thing; besides, it is machine-work.

805. If made in the colony, such work would not afford much labour?—No; the only advantage would be that if these articles were allowed in free we could quote lower prices than we are able to do now.

806. *Mr. Glasgow.*] Could Mr. Cable define the word "appliance"?—I should say, for instance, that a set of chain-blocks would be an engineers' appliance for lifting weights. You cannot call it a tool.

808. *The Chairman.*] Would you consider an anvil an appliance?—I should say that was a tool.

809. There is a difficulty in this matter as to distinguishing between what are engineers' appliances and what are engineer's machine-tools, and we want to know what an appliance is?—If both were made free it would not matter.

(22.) Tuesday, 12th February, 1895.

George Norton examined.

809. *The Chairman.*] What are you, Mr. Norton?—A racing-boat builder, Waterloo Quay, Wellington. I have been connected with the business twenty-two years—nearly all the time in New Zealand.

810. Will you kindly explain what matter you appear in connection with?—First, I have to pay 2s. per 100ft. duty on all imported timber used in my business. 90 per cent. of the timber used is imported, and the balance of 10 per cent. is native timber. Our own timber is not suitable for racing-boat building. The native timber is used in the crooks, bends, and knees of racing-boats, principally rata; and cedar, ash, American clear-pine, Mexican cedar, mahogany, sycamore, and elm are imported. I ask that the duty on this imported timber should be removed.

811. Have you any idea how much imported timber is used by the boatbuilders of the colony?—I am the principal boatbuilder in New Zealand, and there are four or five others, and about 7,700ft. of imported timber are used in the colony in a year.

812. Therefore it is a matter of £7 14s. for the colony, from a revenue point of view?—Yes.

813. What is the next item?—A duty should be placed on imported boats, at present admitted free. At present I have only three men working, whereas I used to have six or seven, and working overtime at that. This is on account of the imported boats. Three years ago I was very busy; last year my trade fell off; and this year it is worse.

814. Is not this falling off caused by the general depression in the colony?—It is principally attributable to the fact of the competition with the imported boats.

815. Is the imported boat a better article than the one made in the colony?—The local one has proved not only equal but superior to the imported, but the price of the latter is fully 20 per cent. below that of the locally-made boat.

816. If working full time, how many boats would be turned out by the boatbuilders of the colony in the year?—I should turn out about thirty-five boats in the year, and about two hundred boats would be turned out in the whole colony, thus giving employment to thirty-six men. The men receive 10s. a day.

817. How many men do you think now are getting employment? About ten.

818. What amount of duty do you ask for on the foreign-built boat?—The same duty as on carriages, 20 per cent.

819. Is there any special machinery used by boat-builders?—No.

820. *Mr. Hutchison.*] Why cannot you build boats of New Zealand wood?—It will not stand, and the grain is too strong, and will not take the curve required.

821. Are there no boats built of New Zealand timber?—Yes, but the racing-boats I build only weigh 19lb., and must be built of foreign timber.

822. Do you get orders for boats from other towns in the colony?—I have sent thirteen boats to Dunedin.

823. Where do the imported boats come from?—England and Australia, where the wages paid are lower than here.

824. Are not the colonial wages the same?—No. Boatbuilders in Melbourne are nearly all running their shops by boy-labour, and they do the work remarkably cheap. No boy-labour for me.

825. *The Chairman.*] What do you call the boats you build?—"Rowing-boats" would be the best term.

826. Would not a "racing-boat" cover it?—No. A racing-boat is used only for racing.

827. Supposing you were framing the tariff, what term would you use?—"Rowing-boats or skiffs."

(23.) Henry Neill examined.

828. *The Chairman.*] Will you kindly state your address?—I am a watchmaker in Dunedin, and have been in business in the colony twenty-seven years. I wish to bring before the Commission the question of watchmakers' tools. The greater portion of the tools are admitted free, and also parts of watches; but there are certain anomalies which have been pointed out to me by the trade, and which I have been requested to bring under notice.

829. What tools are they?—The following have to pay duty: Watchmakers' lathes, jewellers' furnaces for melting gold or silver, brushware for polishing, screw-presses, and crucibles. We have drawn up a list, which has been left in Dunedin, where further evidence will be tendered the Commission. I cannot recollect the other articles. On the furnaces and brushware we pay 15 per cent.; on the lathes, crucibles, and screw-presses, I think, 20 per cent., *ad valorem*.

830. Can you tell us the total value of these goods imported in a year?—I import during the year over two hundred pounds' worth, and I supply the trade pretty well all over the colony.

831. You do not mean that you supply the whole of the requirements of the colony?—No; there are others in it.

832. Of all the articles referred to in your list, what quantity would you get in free?—There is a great probability of a large increase, as the trade is now using appliances it did not use before. The very small men use these appliances, and the duty, where levied, presses on them. It does not press on us, but we have to pay it. My letter to the Customs Department stated we did not consider it would affect the revenue to any extent.

833. Would you import four hundred pounds' worth in a year?—Probably that would cover it; but I cannot say for certain. In the matter of furnaces, some trades are getting them in free, while others pay.

834. On account of a different interpretation in the tariff?—No; there is no getting out of it. Dental furnaces and engineers' lathes are free, while the same articles used by watchmakers have

to pay duty. Engineers' lathes could be made here, but watchmakers' could not. The furnaces we use and the dental furnaces are identical. We have also to pay duty on screw-presses, which, as engineers' tools, come in free. Crucibles if imported as jewellers' crucibles pay duty, and if imported as dentists' they do not.

Mr. Glasgow: The Commissioner's decision is that a dental blower and furnace, as artificers' tools, are free.

Witness: The blower is not a furnace at all, and we get it free in both cases. The brushware includes a lot of items; but I do not think there is any dispute regarding that on the part of the Landing-waiters. As tools of trade they should be free, on the ground that they cannot be manufactured in New Zealand. It would not pay to obtain the appliances to make them here.

835. *Mr. Hutchison.*] You are often at the Customhouse, Mr. Neill. Do you find the officers anxious to meet you as far as possible?—I have not a single complaint to make against the Customs officers at Dunedin at all. They are rather the other way.

836. *Mr. McGowan.*] If these lathes were imported free, do you think that would lead to any increased employment of labour in the colony?—It would give a man facilities over another man who has not got them. I do not think it would increase the number of hands employed.

837. Are you aware that jewellers' furnaces have been used for other purposes than jewellers' work?—The same article is used by dentists, and there are similar appliances that come in free at the present time.

838. Are you aware of the necessity of the Government keeping a knowledge of all furnaces?—There is no necessity down South, but I have heard that something occurred in the other Island twelve months ago bearing on the question. I do not think it would serve any good purpose to keep a list of them, and where they are.

839. Have you not goldfields in the South?—I do not think these furnaces are used on the goldfields at all. There is a furnace used in the School of Mines and one in the cement-works, for chemical purposes only.

840. *The Chairman.*] Is there any possibility of distinguishing the brushware used in your trade from that in use in any other trade?—I do not know any other beside our trade using it. It could be used for cleaning plate.

841. What are screw-presses?—They are made of steel, for die-work—for raising the gold- and silverwork, and, after the die is made, for taking the impression from the die; also for all cutting-out after the impression has been taken. The cutting-out press is largely used for links.

842. Would it be easy to describe it in the tariff?—There could be no difficulty about jewellers' presses and cutting-out presses, because they are not used by any other trade.

CHRISTCHURCH.

FRIDAY, 15TH FEBRUARY 1895.

(1.) JOHN DRAPPER examined.

1. *The Chairman.*] What are you, Mr. Drapper?—Paper-bag manufacturer, Christchurch. I have had thirteen years' experience in the trade in the colony. I wish to inform the Commission that previous to 1887 the duty on the paper used for this industry was 2s. 6d. per hundredweight; 2s. 6d. more was then added to protect our manufacturers, who stated that they were just commencing the making of this paper. Seven years passed before we saw this paper on the market, and then only in small quantities, and not so suitable as the imported, which we are still getting. It comes under the heading of "wrapping," although virtually it is used for manufacturing bags. Excepting the very light weights, bags are still imported in large quantities.

2. You think there should be a duty to protect the bag-making industry?—Yes, either on the bags or less duty on the imported paper.

3. Was the increased duty put on in the interests of the paper-manufacturers?—Yes; they are also makers of bags. Mataura, and Water of Leith, Dunedin, are the factories.

4. And on the coarser bags it would appear that you have a protective tariff as against the makers of 2s. 6d.; they pay 7s. 6d., and you 5s.?—Yes, on the paper itself we pay a duty of 5s. a hundredweight. The Home value of bags is about £1 16s. to £2 a hundredweight, and the Home price of paper £1 2s. a hundredweight.

5. You claim you have no advantages as against the paper-manufacturer?—No. We cannot depend upon the local makers for paper. The Mataura company told me they could not continue to supply paper at the price they are doing now. For the first orders they charged me £32 a ton, but they stated that the next lot would be more. I refer to "cap" paper, for drapers' bags, &c.

6. You ask for an increased duty on imported bags?—Yes; the present duty is 25 per cent. on these bags [samples produced].

7. And you want an increase of duty?—Yes; it is the light bags we want an alteration in more particularly.

8. On the coarse bags, would an increase to 10s. suit you?—We should want all that.

9. On the other class of goods, now 25 per cent., would an increase to 33 per cent. suit you?—I believe it would stop the importation.

10. How many manufacturers are there in the colony?—Two in Otago, and another man here besides myself. My bags are made by hand.

11. Can you tell us the amount of labour employed in your trade?—I employ my own family of five, and when pushed a couple of hands extra.

12. Would the increased duty give you the command of the local market?—I think it would stop the importation of bags. Perhaps it would be more advisable to put a duty on bags than on paper. I would like to see the duty on paper equalised, and made 4s. all round, or less.

13. Can you say what increase of employment it would give in your own factory if you had the command of the trade?—There are still a large number of bags imported.

14. *Mr. Hutchison.*] Do you know if any of these bags are imported with the names of the firms printed on them?—I do not think there are. Nelson, Moate used to have theirs printed, but I do not know any other case.

15. Do you think it is desirable to encourage the papermakers if it is at all possible?—Yes.

16. But all your propositions are directly against their interests?—The position is, if I cannot get my paper, I cannot supply my customers.

17. If you let the Mataura Company know your requirements could they not supply you with the utmost readiness?—I have tried that, but could not get paper. The quality of the paper also is not good enough—not uniform. In a quire of twenty-four sheets some might be light and others heavy.

18. Your evidence is that you really cannot do business with the colonial manufacturers?—Not under the present circumstances.

19. Do you know anything about glazed paper?—We use that for tobacco-bags and tea-bags.

20. Cannot the colonial manufacturers make that paper?—They do, but it is not anything like the imported paper. It is a good paper, but not finished so nicely as the imported paper.

21. Are you able to compete with the maker who makes his bags by machinery?—Certainly. Weekes has had his machinery five years, and I am still here.

22. Are you able to sell your bags as cheaply as Mr. Weekes?—I do so; I have a little advantage in my own family, but they should be paid as well as any others.

23. The question is whether you are paying them?—We pay them when we can.

24. *Mr. McGowan.*] Can you compete with the union bags of American manufacture?—We cannot compete with them, but our price is lower than theirs. The union price in 500 package 2lb. bags is 8s. 6d. a thousand. Our price is 6s. 6d.

25. If you increase the price of the imported bags, do not you think there is a greater likelihood of a larger number of people making their own bags?—It is not at all likely.

26. *Mr. Mackenzie.*] What price do you pay for rough brown paper at the New Zealand mills?—£21 a ton delivered. For Home paper we pay £21 a ton delivered.

27. Is the Home paper as good as the New Zealand?—It is better finished, but I do not think the quality is so good. An agent here has offered to supply me with brown paper for £9 a ton, good enough for bags.

28. I gather that the English paper at £21 is not so strong or useful as New Zealand paper at £21?—I could not speak distinctly about that.

29. Supposing you had to wrap up a parcel, which would you use?—I should prefer New Zealand.

30. The protection to the local paper is 5s. per hundredweight, so that the New Zealand people are really not taking advantage in charging you to the full extent of their protection—*i.e.*, they are giving you a stronger brown paper at £21?—Just so.

31. *Mr. Tanner.*] Is much plant required in the trade of making paper bags?—We have only a knife.

32. Are we to assume that the reason the industry is being carried on by a number of small people in a very small way is because it requires no machinery or plant in the first case?—A person, perhaps, opens a small shop, and he has an idea he can make his bags, but perhaps he does not use 200 a week. It is not worth consideration at all.

33. But it is an inducement to some people to make their own when no plant is required worth speaking about?—Yes.

34. *The Chairman.*] Would you send the Commission samples of the various papers used in your trade, marking them as New Zealand made, or Home made, and the prices?—I will do so.

35. Have you any objection to your name appearing as having giving evidence?—Not the least.

36. *Mr. Mackenzie.*] What do you charge for your rough paper bags?—We get 3½d. per pound for small quantities, and £1 12s. a hundredweight; the price of bags at the mill is £1 5s. There are no brown-paper bags imported.

37. How much for the "cap" paper bags?—£1 16s. to £2 a hundredweight at Home, and £3 12s. to £4 here.

38. What do you pay for the imported "cap" paper?—£22 a ton.

39. Do you know the cost of these bags landed from Home?—About £37 a ton in a large quantity.

40. You would pay about £60 a ton here if you bought them at a wholesale house?—No.

41. I want to ascertain what amount of protection is necessary to balance. You say you get here £72 to £80 a ton for the same bags—an average of £76. Therefore, in order to keep out the foreign article, you require £16 a ton on "cap," or "tissue," paper bags—*i.e.*, the difference between £76 and £60?—Yes.

42. Then, you ask for 33 per cent. on £60, or £4 more than your working-out shows?—To simplify this matter, and act with consistency, I am of opinion that the duty on the "cap" paper should be removed and put on the bags, which would benefit the paper manufacturers, as they are also bag-makers. I mean the heavy weights only, which are used for bags, say, from 15lb. to the ream and upwards. We must have imported "caps" for our better kind of work; also "casing," which comes under the same head, and is used for the same purpose—namely, bag-making. The

brown paper imported is not used for manufacturing wrapping only. Brown bags are made here from colonial brown paper. I have no doubt that in the near future we shall get "caps" good enough for our purpose; but at present we should not be left to the mercy of our colonial manufacturers.

(2.) Statement by Mr. S. S. Blackburne, *re* Sheep-dip.

I am a merchant, and am the senior partner of the firm of Blackburne and Co., carrying on business in Christchurch. My firm are the chief New Zealand agents for the firm of Morris Little and Son, the manufacturers of Little's sheep-dips, and I am their representative under power of attorney. This firm manufacture both a fluid and a powder sheep-dip, which is made at Doncaster, in England. Little's was one of the first sheep-dips imported into New Zealand, and it has been in steady and increasing demand here during the past fifteen or twenty years; and it was largely by its means that the scourge of scab was stamped out in New Zealand. Sheep-dip is at present, and has always been, free in New Zealand. I learn that you will be approached on behalf of New Zealand makers of sheep-dip, and asked to recommend the imposition of a duty on sheep-dip, and I desire to give evidence why no such duty should be imposed. Sheep-dip ought to be free of duty, for the following reasons:—

1. Every sheepowner is by law compelled to keep his sheep clean from parasites; and it is in the public interest that this should be so, as otherwise there would be a serious deterioration in sheep, and clean sheep would be constantly infected by dirty ones. Sheep can only be kept clean by the use of sheep-dips, and therefore to put any restriction in the way of a free choice by farmers in the use of sheep-dip, or to increase its cost, would be—(*a*) Contrary to public policy and interests; (*b*) an injustice and a great hardship to farmers; (*c*) an impediment to carrying out the law.

2. The manufacture of a really reliable sheep-dip requires great skill and experience, and it is only old-established firms which are able to make it uniform in quality, so as to give general satisfaction. A slight error may either cause the loss of sheep, or deteriorate the quality and value of wool, or prevent the dip from properly destroying parasites. It is, therefore, of great importance to farmers to have a wide and unrestricted choice. Two of the imported sheep-dips are, for this reason, in greater demand than all the other scores of sheep-dips added together; and this applies not only to New Zealand, but to every country in the world where sheep are grown. These two firms bring an experience—one of over half a century, and the other of over a quarter of a century—to bear on the manufacture, and farmers would complain justly and bitterly if any obstacle were placed in the way of their getting either of these two brands.

3. The process of manufacture of the principal imported dips is a trade secret, and the same quality of dip could not be made in the colony in any case.

4. Sheep-dip is an article that employs very few hands in its manufacture. With proper machinery, the requirements of the whole of New Zealand could be made by less than twenty hands, working about two months out of the twelve. A prohibitive duty would not, therefore, result in the employment all the year round of even an additional dozen labourers; and there is not at present, I believe, a maker in New Zealand that employs any hands constantly engaged at all in the manufacture of sheep-dip all the year round.

5. On the other hand, there are, according to the last published sheep returns, 15,837 owners of sheep in New Zealand, every one of whom would suffer by the imposition of a duty on sheep-dip.

6. A duty on sheep-dip must inevitably result in an increase in its price, and therefore in cost to farmers. This is so, because, owing to the severity and wideness of the existing competition, prices are, at present, cut down to the lowest paying-level, and because farmers would still demand to have the best brands of imported dips. The manufacturers of Little's sheep-dips make less than 10 per cent. profit on their selling-price in New Zealand. I know this because they make returns through me for the purpose of the income-tax.

7. Little's fluid sheep-dip is largely used in New Zealand as a disinfectant; also as a blight specific; and as a cure for bot-fly on horses, for which it is recommended as the best remedy, in a leaflet issued by the Agricultural Department.

It took the gold medal at the New Zealand Exhibition of 1881 as the best disinfectant; it is recommended by Mr. Murphy, the author of "New Zealand Gardening," and other high authorities, as a blight specific. To restrict its importation by a duty would, therefore, besides injuring sheepfarmers, be detrimental to the public health (disinfectant); to the fruit-growing industry (blight specific); and to all owners of horses (bot-fly preventive).

8. A duty on sheep-dip would be the greatest hardship to small farmers. Runholders and large sheep-owners are not under the same necessity of dipping their sheep as the smaller farmers are, because runholders and squatters own a large proportion of merino sheep, which are not so subject to parasites, whereas the small farmers own only crossbred and long-wool sheep, which are very subject to parasites. Consequently, every small farmer must, of necessity, dip every sheep which he possesses; and the expense of dipping, to him, is a serious item, which he would be anything but pleased to find increased by a duty on sheep-dips, especially during the present ruling low prices for mutton and wool.

You will probably have your attention called to certain so-called public trials of sheep-dips which have taken place in New Zealand, and which appear to have been favourable to local makers. With regard to these, I have to say:—

(1.) That there has never been a public trial of sheep-dip in New Zealand worthy of the name. A public trial, to be satisfactory, should deal with several hundred or several thousand sheep, but the trials held dealt with only units or dozens. Local judges are also very liable to favour locally-made dips, and no outside expert has ever had anything to do with the judging. The last so-called public trial was little less than a scandal. Previous to the award being made, one of the judges, who had taken an active part in the proceedings, resigned his position as a judge and took up the agency for the dip which was ultimately placed first. Comment on this is superfluous.

(2.) No New Zealand brand has, by its excellence, created a demand outside of New Zealand. But, on the other hand, the two principal imported brands are sold in all parts of the world; and in every country where sheep-dip is used their sales far exceed the combined sales of all other brands added together. The proof of the pudding is in the eating, and since the last so-called public trial the New Zealand farmers have, in spite of it, so far shown their preference for the imported dips that the sales of Little's sheep-dip have since that date increased more than ten-fold, and I believe other imported brands can show a somewhat similar increase. Little's sheep-dip obtained the gold medal at the New Zealand Exhibition of 1881, and holds twenty-five gold and other medals in various parts of the world.

A public department is maintained in New Zealand for the special purpose of keeping the sheep in the colony free from parasites. For this purpose a sheep rate is struck, which amounted in 1894 to £20,231, and a staff of thirty-three Sheep Inspectors is maintained, whose joint salaries and travelling-allowances amounted to £7,475. In the face of this, it would be monstrous to impose a duty on sheep-dip.

(3.) Frederick Trent examined.

Witness: I presume these proceedings are private.

The Chairman: Yes. You will understand, of course, that we are bound to submit our report and evidence to the Crown, and that in due time it will come before Parliament.

Witness: My reason for asking the question is that from time to time I have been in correspondence with the Government, notably with Sir Harry Atkinson, and there may be certain details mentioned which it may not be advisable to publish at present.

The Chairman: You will understand clearly the arrangement under which you speak now—that the report will have to be presented, together with your evidence, by-and-by. In the meantime there will be no publication of anything more than the fact that evidence has been given in respect to the coffee and chicory industry.

Witness: There are other matters I wish to touch on. I might preface my remarks by saying I am a manufacturer of coffee, chicory, and spice, and an importer of general merchandise, and the sole partner in the firm of Trent Brothers.

43. *The Chairman.*] How many years' experience have you had in the colony, Mr. Trent?—I have been thirty-six years in the colony, and personally in this business about twenty-two years. We started in 1863. I wish first of all to put in this letter from the Colonial Treasurer, in reply to one I addressed to him:—

"Dear Sir,— "Postmaster-General's Office, Wellington, 1st August, 1894.

"I am in receipt of your letter of the 7th ultimo, referring to the importation of coffee-essence, and will give the matter my best attention. As you will probably have observed from the newspapers, a Tariff Committee has been set up this session, to which all matters of this kind are being referred, and I will see that the facts contained in your letter are placed before them.

"Yours faithfully,

"Frederick Trent, Esq., Trent Bros., Christchurch." "J. G. Ward.

My firm claim to have spent in wages and materials since 1863 the sum of £1,000,000 sterling in connection with the manufacture of coffee, chicory, pepper, and spices. For some time we paid £5,000 a year in wages alone, and we estimate that the coffee, chicory, and spice business has given steady employment, say, to 1,000 men throughout the colony. That is up to about four years ago, and before the advent of the imported coffee-essence.

44. When was that introduced?—It is only within the last three years that it has come into consumption to any extent, and if in the near future the Government cannot see their way to put on a more substantial duty on imported coffee-essence I have no hesitation in saying that coffee will be a thing of the past. In connection with this industry, there is also to be considered the agricultural labour employed in producing the chicory, the tin trade in the making of the canisters, the making of the wooden cases, the printing of all descriptions of labels, and the labour actually employed in the factory.

45. To what extent has this labour been reduced during the last three years?—Where we used to sell 1 ton of coffee we probably do not sell 5cwt.—I am speaking of my own case.

46. Has the amount of labour employed been reduced by 50 per cent.?—Yes, in my case; and I might refer to my letter to the Colonial Treasurer, in which I state that "during the past twelve months I am credibly informed that between 5,000 and 6,000 cases of coffee-essence were imported into the colony, and when I remind you that the duty on the raw coffee-bean is 3d. per pound, and it loses a quarter to a fifth, according to the quality of the coffee-beans, you will at once see the gravity of our position as manufacturers." During last session a petition was presented to the House from all the coffee-roasters in New Zealand, and attached to the petition was a report from Mr. Allan, analyst, of Dunedin, which stated that the imported coffee-essence did not contain more than 10 per cent. of the constituents of coffee or chicory. That is what we complain of; and I think the Commission will find that people are using a spurious article, and our position is a very grave one. Unless the Government put on a more prohibitive duty the coffee industry is at an end. The present duty on coffee-essence is 15 per cent. I have not a copy of Mr. Allan's analysis. A copy was sent to me, but I forwarded it to the Colonial Treasurer.

47. What amount of duty do you think it would be necessary to impose to effect what you desire?—It is not a question of self-interest with me, but one rather as to whether this coffee-essence ought to be allowed to come into the colony. The constituents are grape-sugar, saccharine, and water. I think there should be a duty at the very least of 30 per cent.

48. What is the retail value of the coffee-essence?—I think, 1s. 2d. per small bottle, including duty, but I do not think the 30 per cent. would exclude it.

49. Would a duty of 100 per cent. absolutely prohibit the consumption?—I think so; the agents invoice it to the merchants here at 11s. 7d. per dozen, less 2½ per cent.

50. Would a duty of 50 per cent. exclude it?—Fifty per cent. is what I have had in my own mind to give the coffee industry anything like a fair chance.

51. Is Mr. Allan a professional analyst?—Yes. I am given to understand he is one of the most capable men in the colony. I think you will probably have him before you in Dunedin.

52. If you will send a copy of his report we will add it to your evidence?—If you do not obtain one in Dunedin I will forward one.

53. *Mr. Tanner.*] You state that the trade in coffee has largely decreased?—Yes, because with coffee chicory has long been a recognised article of consumption, and the bulk of the coffee sold in the shops is of necessity a mixture of coffee and chicory. As far as the colony is concerned, chicory is probably one of the most important parts of the industry.

54. Is the chicory roasted in the colony?—Yes; we were the first people to grow it, and received the world's award at Vienna Exhibition, and we are the only firm in the Australian Colonies who hold the gold-medal award.

55. Your statement that the business has so fallen off is drawn from your own personal experience?—I am only dealing with my own business.

56. Are you aware that the importation of raw coffee into the colony has decreased in consequence of the consumption of the essence?—I cannot say decidedly, but supposing my contention to be correct, that between 5,000 and 6,000 cases of essence were imported, that does away with the doubt at once. The Customs returns would show.

57. *Mr. Mackenzie.*] If 50 per cent. duty were placed on this coffee-essence, would it increase the price of coffee here to the consumers?—Most certainly not. Speaking for myself, we never increase the price of coffee, unless there is a material advance in the price of the raw bean in Colombo.

58. So that the object is simply to keep the essence out of the colonies?—Yes; to protect colonial industries.

59. You state it contains 10 per cent. only of coffee?—I am quoting Mr. Allan. I think he referred to Symington's essence. He did not divide the coffee and chicory.

60. What proportion of coffee is really found in coffee generally?—That varies. We have four recognised brands on which our name is, but it unfortunately happens that we have been called upon to give occasionally a cheaper coffee. We do not like doing it, and we always push the sale of our best coffee, which contains from 12½ per cent. to 15 per cent. of chicory, and the rest coffee.

61. Do you think that these essences, although they do contain so little coffee, are at all deleterious to health?—I cannot say they are.

61A. On the other hand, do you not think they are a great convenience to people living in bush-camps and remote places?—I do not think it is any greater trouble to make a cup of coffee than to make a cup of coffee-essence. The great misfortune is that so few people know how to make coffee.

62. *Mr. Stevens.*] What is the price of the raw coffee now as compared with five years ago?—It has kept about the same. We were led to believe some time ago that it would be much dearer on account of the Ceylon planters putting their land into tea in place of coffee. I rather fancy it is somewhat cheaper of late.

Mr. Stevens: In Ceylon the coffee-plantations have become almost extinct.

Witness: I am given to understand they have opened up more hill country, and are still going in for coffee.

63. *Mr. Stevens.*] Practically, then, there is no failure?—We have been flooded with offers of coffee within the last few days.

64. Therefore you attribute the falling-off in your trade to the importation of the essence, and not to the scarcity and higher price of the raw material?—Yes; and we do not forget that tea has come largely into consumption.

65. *Mr. Hutchison.*] Does the industry of manufacturing the coffee from the raw material involve the employment of a large amount of labour?—In the factory I think we employ about thirteen hands.

66. You said that the constituents of this essence are not deleterious?—I am not aware that they are; the presumption is that they are not.

67. At first you were inclined to say that it was really deleterious?—It has been stated that it should not be allowed to be imported into the colony.

68. From Allan's analysis that does not appear?—It is a very startling thing, if true, that it only contains about 10 per cent. of the constituents of coffee.

69. I think you will have to face the fact of its being a convenience?—That is so.

70. *Mr. McGowan.*] Are you aware if any coffee-roaster in the colony has attempted to manufacture this essence?—Gregg, in Dunedin; and we have a small man here who manufactures it.

71. *The Chairman.*] You have admitted that tea is used largely instead of coffee?—No doubt tea has largely come in.

72. Is not cocoa supplanting coffee?—Cocoa helps, but I am inclined to think there is a reduced sale for cocoa. As compared with coffee, there has been an increasing consumption of tea. It is more in regard to the future I speak.

73. What is the next matter, Mr. Trent?—I claim to have introduced a new industry here. Every bit of this article [tin of Dr. Brandt's malted food produced] is produced in the colony with the exception of the tin. I also put in a sheet of testimonials, and a report by Professor Bickerton on this food:—

"Dear Sirs,— "Foresters' Hotel, Christchurch, 18th October, 1894.

"Some four months ago our child was very ill, so much so that we expected to lose him, and in great sorrow and distress we had him photographed. Shortly after this the doctor recommended

as to try Dr. Brandt's Malted Food, and we are pleased to inform you that, since then we have used nothing else, and the child has thriven well, and is now strong and hearty; and, although you are strangers to us, in our gratitude, we could not refrain from making known to you the above facts, in proof of which we enclose you photos of the child taken before and after using Dr. Brandt's Malted Food. We give you full permission to make what use you think proper of this letter.

"I remain, &c.,
"HARRY PRISTON
"LUCIE M. PRISTON.

"Messrs. Trent Brothers, Christchurch."

"Christchurch, 27th October, 1894.

"I HAVE examined the sample of Dr. Brandt's Malted Food supplied by Messrs. Trent Brothers, Christchurch. I find it to be absolutely free from any deleterious ingredient, excellently manufactured, and containing diastase the active ferment of malt, a substance that possesses remarkable properties in helping to digest farinaceous food.

"I have, for many months, used the food in my own family. I have also known of its effects in the case of several invalids, and it has fully come up to the expectation of its digestibility that I had formed from my knowledge of its composition.

"It is certain that in many cases where ordinary food is incapable of being digested this malted food is assimilated with comparative ease, and is an extremely valuable form of cereal food. As it contains the albuminous constituent of grain, as well as the farinaceous, it is of course much more nutritious than any form of cornflour, arrowroot, or starches from which the gluten has been removed.

"A. W. BICKERTON,
"Colonial Analyst."

74. Is this a farinaceous food?—I have bought the sole right to manaufacture it in the Australian Colonies; and I look for such a future for it that if in the near future I can dispose of my business I intend to go to New South Wales. I have been thirty-six years in New Zealand, and am getting rather sick of it.

Mr. Hutchison: I am sorry to hear that.

Witness: I am sorry it is so, but spoon-fed farming will never do in this country. I have received an order for 2,600 tins, and they are going to Australia this month; and, so far as this colony is concerned, I claim a little increased duty on the imported articles—Neave's Food, Mellin's Food, Allen and Hanbury's Food, and Nestle's Milk-food. Considering, also, that cornflour can be manufactured largely in this colony, I do not think the present duty on it is sufficient.

75. *Mr. Hutchison.*] What amount of duty would be required upon the articles you mention?—Twenty-five per cent. upon these preparations of food.

76. *Mr. McGowan.*] What price can your preparation be sold at?—1s. retail per tin to bring it within the reach of all.

77. What amount of duty would you want on cornflour?—In conection with this food I do not suggest that any increased duty should be put on cornflour. I only ask for protection against kindred foods.

78. Is there a large consumption of this food in the colony?—Yes.

79. Are you able to give any idea of the total quantity that would be sold in the colony?—No.

80. *Mr. Mackenzie.*] Do you not think it is rather a large order to ask for the duty to be nearly doubled upon a lot of foods that have proved so useful?—I do not, bearing in mind the increased employment my manufacture gives, and taking into consideration the very low rate of wages at Home as compared with here.

81. You really increase the price of these foods 1d. a pound to the users, and it has yet to be discovered whether yours will become as popular?—That is true, although, of course, I have no shadow of doubt about it. Two doctors (Deamer and Murdoch) have stated within the last few weeks that it is the finest food they have ever tried.

81A. *Mr. Hutchison.*] Have the doctors referred to these other competing foods along with yours?—No; they have not referred to any other food, and the letters I have received from them are unsolicited.

82. You have no analysis of these other foods?—None.

83. But you think yours is better?—I am perfectly satisfied of it.

84. And you give Professor Bickerton's opinion that it is a thoroughly excellent article?—I do. Now Professor Bickerton is no longer Colonial Analyst, my firm pay him a special retaining-fee to come into our place at any time, and to analyse anything he likes.

85. *The Chairman.*] What is the next item, Mr. Trent?—Rice, sago, and tapioca. The duty upon rice at present is £6 a ton, and nothing on sago or tapioca; and I would suggest that, if possible, all rice, sago, and tapioca should bear a duty of £4 13s. 4d. a ton—*i.e.*, ½d. a pound.

86. You see rice stands on a different footing?—Why?

87. I suppose it is used largely by the Chinese?—The rice we merchants go in for is very little used by the Chinese. We import the Japan rice. I merely point this out as one of the absurdities of the tariff. Sago and tapioca should bear some duty, and rice should be let down a little easier. I desire also to mention a matter which, so far from being a question of personal interest, is very much against me. I refer to peel in brine being admitted duty-free. Some years ago Sir R. Stout defended a case in Dunedin for Hudson, and got a decision in their favour that peel in brine should be admitted free. The duty on the ordinary candied peel is 5d. per pound, and the consequence is that little or none is imported. I receive large consignments of peel in brine from Messina, and, after paying pretty heavy charges, if it leaves about 1¼d. per pound, the shippers are well satisfied. It appears that this is a very great loss to the revenue, as the colony is losing the duty on the imported article.

CORRECTION.

Observation by Mr. Mackenzie following Question 96 should read as follows:—

Mr. Mackenzie: It seems to me that sago and tapioca are absolute necessaries of life to the working people, whereas sultanas, currants, &c., are but little used by them, and then only as luxuries. Surely you do not seriously urge increased duties on necessaries and reduced duties on luxuries on the plea of assisting the working-man?

H.–2. In page 53.]

88. Can this peel be turned to the same purpose as candied peel?—Yes; it is candied here. It might bear the same duty as the ordinary peel, which pays 5d. per pound.

Mr. Glasgow: It is 3d. per pound now; candied peel is 5d.

89. *Mr. Hutchison.*] What was this case of Hudson's?—The Customs demanded duty on this peel in brine, and Stout successfully contested it for them. The decision was, that no duty could be charged. I also suggest that the duty of 2d. per pound on dried fruits, sultanas, elemes, and currants is very severe. The last 100 cases of currants cost me £45 f.o.b. London, and the duty alone came to £96, besides other charges. They came to something like £174. They were invoiced at 9s. per case, and the duty came to 2d. per pound. They cannot be produced in the colony, and I think the duty should be reduced. We have also been paying for a long time an import duty of 3d. per pound on ginger, whether imported for grinding or not—(this is rather a personal matter) —and I think, if any manufacturer can prove to the satisfaction of the Collector of Customs that the ginger is imported for grinding, he should receive a little consideration in the way of a lighter duty. I ask that a concession be made as between ginger imported for sale in grocers' shops and ginger imported for grinding.

90. *Mr. Tanner.*] What is the cost-price of currants?—8s. 9d. to 9s. 6d. per hundredweight f.o.b. London, and the duty is 2d. per pound.

91. Is it true that ground date-stones are used as an adulterating ingredient in the manufacture of pepper?—I have never heard of such a thing; but some years ago I believe olive-stones were.

92. Is it true that ground rice is used in adulterating baking-powder?—I think it would be hard to say. It is used by beer-bottlers.

93. *Mr. Mackenzie.*] You suggest that the duty on tapioca and sago, which are at present free, should be £4 13s. 4d. per ton?—I think that Mr. Glasgow's expert opinion would be better than mine. As an importer, it has always struck me that a duty of £6 on rice is very absurd.

94. You suggest an increased duty on these two items?—I would rather adjust it on the three.

95. Do you mean you do not wish anything to be put on tapioca and sago?—I think rice should be made a little easier—say, by ¼d. per pound—seeing that the others cost the same.

96. You consider the duty on sultanas, &c., too high?—Speaking from the working-man's point of view, I think it is about the severest duty you can put on.

Mr. Mackenzie: It seems to me, seeing that rice and tapioca are absolute necessaries of life to the working-people, it would be far more important to take the duty off rice than to take it off even sugar.

Witness: I did not say put a duty on sago or tapioca.

Mr. Mackenzie: I wrote it down.

Witness: Kindly allow me to correct it, and say, in place of rice being £6 a ton, put a little on sago and tapioca. I should prefer to work in the direction of a free breakfast-table, and to take the duty off the whole lot.

97. *Mr. McGowan.*] Is it not a fact that rice can be used in a number of ways, in assisting, as it were, other manufactured products? Is it not used in baking-powder?—I am of opinion all baking-powder has a certain proportion of ground rice in it.

98. But sago and tapioca cannot be so used?—At Home sago is used in connection with the manufacture of cocoa, otherwise it would be insoluble. I am not aware whether sago or tapioca are used in any other manufactures.

99. *Mr. Stevens.*] Can you suggest any means by which the ginger used for grinding purposes could be distinguished from others?—Ginger for grinding, no matter how small, as long as it is sound and not wormy, can be easily distinguished.

100. *The Chairman.*] Do you object to your name being mentioned as having been here to-day?—Not in the least.

(4.) Dr. Hacon examined.

101. *The Chairman.*] Will you state what you wish to give evidence upon?—Drugs and medicines.

102. You are a medical practitioner, in Christchurch?—Yes; I have been in the colony since 1879, and was medical officer seven years at a public institution, where I dispensed the medicines for the Government, and saved the country much expense. I import and dispense my medicines now, and I ask that the duty on imported drugs and medicines should be limited to 15 per cent. At present 25 per cent. is charged on some medicines and appliances. Quinine in bulk is 15 per cent., in tabloids 25 per cent. The consequence is I have had to pay a good deal out of my own pocket, and also am unable, by reason of the expense, to prescribe the latest medicines. [Specimens of medicines and appliances produced.]

103. You think a maximum duty of 15 per cent. is sufficient?—Yes, on a differential basis. All articles enumerated as B.P.C. should, in my opinion, be admitted at the same rates as B.P.—namely, 15 per cent.; and I ask accordingly. Burroughs, Welcome and Co. have revolutionised medicines by the introduction of tabloids, and I would ask that they be admitted at the same rate as medicine in bulk—15 per cent.

104. The chemists in New Zealand are not importing the tabloids, are they?—Some few. When the tabloids are wanted the chemists often have not got them. Carbolic soap is now charged 25 per cent., and I ask that it be placed under the 15-per-cent. heading. Carbolic-soap tablets were being sold by the chemists at 4d., but it was no use recommending it to people at that price, so I imported a gross, and you can now buy it at 2d.

Mr. Glasgow: It has been decided that tabloids of drugs are to be 15 per cent.

105. *The Chairman.*] Would you advocate admitting patent proprietary medicines at 15 per cent.?—Certainly not. As far as I am concerned, I consider they are a bad thing, and all labels should state particulars of contents.

(5.) Deputation of Canterbury Fruit-growers (Messrs F. Wilding, Chairman, F. Sisson, and S. B. Wilson.)

106. *The Chairman.*] You appear as a deputation?

Mr. Wilding: Yes; I am proprietor of the Styx Orchard, comprising 33 acres of heavy swamp-land at Styx, fully planted with trees, from fourteen to three years old, chiefly apples, including best cider varieties, imported from Herefordshire and Devonshire. Mr. Frank Sisson, who, with Mr. Wilson, accompanies me, has 30 acres of orchards, Mr. Wilson 25. We are members of the committee of the Canterbury Fruit-growers Association. I have spent considerable sums of money in exporting apples to England, owing to difficulty of obtaining market within the colony; am now selling at a low price for export to South America. We have great difficulty in selling within the colony. It is not so much the low price obtainable as the impossibility of getting rid of the fruit, especially apples, in large quantities that we complain about, more particularly the early autumn apples. This is due to our markets being glutted with foreign fruit. The present duty is insufficient, in our opinion, to prevent this. The Tasmanian and Australian fruit ripens a fortnight before New Zealand fruit. It is picked on the green side, and it forestalls New Zealand fruit of the same description by about a fortnight. By the time our fruit of a given class ripens the public have been consuming the Australian fruit for this period, and they look for a change. For example, cherries from Australia come in a fortnight before any are ripe here. They are consumed, and by that time Australian apricots and plums are coming in, and prevent the sale of New Zealand cherries. This fruit is not sold as imported. It is picked green, and ripens in cases on the voyage. It is poor in flavour, unwholesome, and unsatisfactory in every way when compared with fruit which has ripened naturally on the trees. Much of it is mere rubbish, unfit for cooking or jam purposes. We submit that, as we are taxed on nearly everything that we use in our orchards—our pumps and syringes, on potash, soda, and various ingredients for washes for trees—and as we are taxed to support an expert who travels the country urging people to plant more fruit-trees, the least the State should do is to endeavour to secure for us the home market of such fruits as can be grown to advantage within the colony. Owing to the difficulty of finding a market, numbers of growers in Canterbury are suffering their trees to be neglected. Cattle and horses are running in the orchards, and the fruit-production, in spite of the recent State efforts to promote planting, is, if anything, decreasing, or, at all events, stationary. If we had the home market secured to us this would be changed rapidly. An enormous impetus would be given to planting fresh trees and renovating old orchards. The price of fruit to the consumer would not be enhanced by the imposition of increased duties. In the long run it would be lessened. If the growers could depend on a steady home market they could, by employing additional labour, enormously increase the productiveness of their plantations, and by increasing their output they could profitably sell at a lower price. There are in every New Zealand port a number of agents, auctioneers, and importers who are directly interested in keeping Australian fruit in prominence, and obstructing the sale of the New-Zealand-grown article. In many cases the retailers are indebted to these importers, and are not free to purchase as they wish. The trade has got into a groove, and it is very difficult to get it out without strong measures. While men, women, and boys are standing idle, unable to get work of any kind at almost any price, the fruit-consumers of New Zealand are paying large sums for foreign fruit. Thus, while our own kinsfolk and fellow-colonists are idle, we are deliberately employing the inhabitants of other countries to do work which could with advantage be done here. The encouragement and development of the fruit industry will help to promote activity and give employment in other directions. I shall want New-Zealand-made cases for about 6,000 bushels of apples during the current season. The jam industry ought to lead to the manufacture here of bottles. The Canterbury Fruit and Cider Company has the manufacture of jam as one of its objects; also canning and preserving in other ways. Mr. Sisson has been engaged all his life in the fruit industry—thirty years in this colony. We have been urging for years the introduction of a measure dealing with pests. We give employment to other trades, and use New Zealand timber for cases. I am chairman of the Canterbury Fruit and Cider Company. We have gone largely into the fruit industry, and we contemplate going into jam. That means making our own jars, cans, or bottles.

107. *The Chairman.*] You want a protective duty put upon foreign fruit. What amount of duty do you think would be effectual?—The present duty is ½d. per pound, and we think 1d. would be ample.

108. Is there room for any large extension in the jam industry?—I think so. We send tons of plums to Dunedin from here for jam-making, and it comes back to us and is sold as jam.

Mr. Sisson: The firm I send plums to informed me that they could do this season with 60 tons of black currants and 60 tons of raspberries for jam, but they cannot procure the quantity of fruit they require. I would like to put in the latest account-sales I have received for forty cases of apples sold recently in Dunedin.

"Mr. F. Sisson. "Manse Street, Dunedin, 9th February, 1895.

"Cr. Sales by Park, Reynolds, and Co., Auctioneers.

	£	s.	d.	£	s.	d.
"14 cases apples, at 2s. 6d.	1	15	0			
1 case apples	0	2	0			
25 cases apples, at 3s. 3d.	4	1	3			
				5	18	3
Charges.						
"Commission	0	6	0			
Advertising	0	4	0			
Freight, &c.	1	0	9			
				1	10	9
				£4	7	6

"E. & O. E.—Dunedin, 11th February, 1895.—Park, Reynolds, and Co."

109. *The Chairman.*] How many pounds in the case?—40lb., and the case has to be paid for. I received barely ½d. per pound for these apples, and they were a picked lot.

110. Have you been connected with apple-growing long?—Thirty years.

111. Do you find the fruit very much interfered with now by insects?—That evil is very much on the increase, and there are now many pests that were quite unknown in the early days of the colony.

112. If you could get a good market price, do you think you could clear your orchards of these pests?—Yes.

Mr. Wilding: The only blight we cannot cope with is that mysterious peach-blight. My orchard was very bad a few years ago, but I have imported some powerful American pumps. They are fixed on sledges drawn by a horse, and we can do seven or eight hundred trees a day. The eradication of most pests is merely a question of labour and money well applied.

113. *The Chairman.*] Can you grow currants and gooseberries with success?—Yes; but the reason they are not grown in Canterbury is the want of a market.

114. *Mr. Tanner.*] Have you noticed that fruit-trees are being imported from Australia?

Mr. Wilding: No, I have not.

Mr. Sisson: No.

Mr. Tanner: We received a protest in Wellington against large numbers of trees being introduced from Australia.

Mr. Wilding: I have not heard of it in Canterbury.

115. *Mr. Tanner.*] Do you think that would be an additional source of danger?—Undoubtedly.

116. *Mr. McGowan.*] You mentioned, Mr. Wilding, that the Tasmanian fruit comes in before our fruit: is not our fruit ripe before the Tasmanian?—No. They are always a fortnight earlier than we are.

117. Earlier than Auckland?—No; Canterbury.

118. You said that Australian fruit is sold to the detriment of the local product. If it comes in before ours is ripe, how do they manage to sell it as local fruit?—The fruit is picked green, and ripens on the voyage, and in the shops here its appearance is such that it would be difficult for any one except an expert to say that the fruit had ripened on the voyage.

119. What price do the Australians get for their fruit as compared with the local article?—On the average, I should say they get higher prices. It comes in in large consignments, and is sold by auction.

120. Would not a large consignment tend to lower the price?—I do not think so.

121. How much higher price than New Zealand fruit does the Australian bring?—Really I cannot tell you. We have none of the Australian returns to tell us what they have received for their fruit. Lately I have not sold much. I have engagements to send some 3,000 or 4,000 cases to Rio: I cannot get any market in the colony.

122. If their fruits come into the colony before our fruits are ripe, why should we put a duty on Australian fruit to prevent its coming here?—We want our people to be patriotic enough to wait for the "kindly fruits of the earth, so that in due time they may enjoy them."

123. *Mr. Stevens.*] You think that raising the duty from ½d. to 1d. would be sufficient protection to enable the local fruit-growers to compete against the Australians? Do you mean you would place 1d. on all kinds of imported fruits, or only on such fruits as we do grow here?—We are only concerned for the fruit we could produce here.

124. Supposing such a duty were placed upon the fruit—say, apricots and peaches—do you think you could produce sufficient to supply the colony?—Certainly.

125. Do you not attribute the low price of fruit very much to the large quantities of preserved fruit that are imported rather than to the fresh fruit imported?—The preserved fruit is an important element, and a profitable industry, and we hope to go in for that.

126. Would you require any alteration in the present duty on preserved fruits for the purpose of fostering any industry, or do you think the existing duty is sufficient?—I think an increase of duty would be necessary; it would place us on a more favourable footing.

127. *Mr. Hutchison.*] What amount per pound do you require for your fruit to make a fair living?—Anything below 1d. per pound would be a losing game.

Mr. Sisson: I can fully indorse that; taking one year with another, that is the lowest you can do it for. I have lost money the last few years, and if I had not had private means I should have had to give it up.

128. *Mr. Hutchison.*] Could not these pumps for use in the orchards be made in the colony, instead of their having to be imported from America?—We have had them made since in Dunedin.

Mr. Sisson: My Dunedin one was made on exactly the same lines as the American, and gives great satisfaction.

129. *Mr. Hutchison.*] Do you not think the Australians must be getting a very poor price for their fruit in Australia, notwithstanding, you say, they get a fair price here?

Mr. Wilding: They must get a very poor price in Australia. I have sent hundreds of cases to Wellington and Dunedin, and only received 2s. 3d. and 2s. 6d. a case.

130. *Mr. Hutchison.*] Since the duty was imposed, are you aware if it has had any restrictive effect?—I do not think so; it had the effect of enlarging the cases.

130A. Do you propose now to grow these currants and gooseberries to enable you to supply the market instead of what are now being imported?

Mr. Sisson: The object will be to shut out Tasmania's small fruit as well as the large. They grow in such large quantities, they can compete with us. We cannot grow raspberries below 3d. per pound; they grow them at 1½d.

131. *Mr. Hutchison.*] How is that?—On account of the large quantity they grow.

131A. Is there a market for all that could be grown here?—No; there is a market in Dunedin—a firm there who say they could take 60 tons, but they have only started to manufacture jam, and we might find after taking the order that they were not going on.

(6.) E. C. Mouldey examined.

132. *The Chairman.*] What are you, Mr. Mouldey?—A resident of Christchurch. I represent the wine-growers of Canterbury, and I wish to protest against any treaty likely to be made between New Zealand and South Australia in regard to the admission of South Australian wines duty-free. The industry here is in its infancy, and we shall not be able to compete against South Australia. In Adelaide grapes are £1 10s. a ton; here 4d. a pound—£40 per ton.

133. Can you produce good grapes in Canterbury?—Yes, in the open. I had ripe grapes last year—black Hamburgs.

134. How long have you planted them?—About three years; but I have been in the wine business twenty years. I have now planted 4 acres out of 10.

135. Can you produce a good wine?—I have a sample here [produced], and 8,000 gallons in store of Canterbury wine. Some people consider it as good, and others not as good, as the South Australian. My wines have not yet had a proper time to mature; it takes five years in New Zealand for the wine to ripen. South Australia sends hers into the market in three years.

136. What price can the New Zealand wine be supplied at?—Best quality from 5s. to 10s. per gallon.

137. Are you able to make both white and red wines?—I make red wines only.

138. Supposing the proposed treaty were not ratified, would the present duty be sufficient protection?—Quite sufficient.

139. *Mr. Hutchison.*] Did you notice what your representative said the other night about New Zealand wine?—Yes; I was very much annoyed. Mr. Reeves is not aware of the wine made in Christchurch. He has, no doubt, tasted some gooseberry-wine or currant-wine, and considers them all alike. I have sampled as good wine in the North Island as any I have sampled from Australia.

140. Mr. Reeves has been unfortunate in his wine?—He must have been.

141. Do you find a market for the wine?—I only make it in small quantities, and we sell that readily—when five years old.

142. Did I understand that you cannot compete with South Australia in the growing of grapes?—Certainly not; we cannot compete. Their climate is so much better adapted than ours to grape-growing.

143. Would it not be rather hard if the people here could not get wine cheap?—In a few years they will grow plenty of wine in the North Island, and more wine will be made in New Zealand than can possibly be consumed here.

144. Is not the fruit itself a mere trifle of the cost?—The cost of the fruit is 2s. per gallon of wine.

145. Do you bottle and sell the wine in dozens?—Yes.

146. *The Chairman.*] Do you refer to gallons?—I sell it both by measure and by the dozen—quart-bottles.

147. What does a pint-bottle cost?—I could sell the hotelkeepers wine so that they could retail a pint-bottle at about 1s. 3d. They sell it at 6d. per glass.

148. *Mr. Mackenzie.*] Would anything less than the present duty do for your industry?—Anything less would not be advisable. The revenue would suffer if Adelaide wine were allowed in free, as the merchants would not buy the local wine.

149. You do not think less than 5s. a gallon would protect you?—I do not.

(7.) James Faulkner examined.

150. *The Chairman.*] What are you, Mr. Faulkner?—A wire-manufacturer, in business in Manchester Street, Christchurch. I have been in Christchurch ten years, and all my life at the trade.

151. What are the items connected with your trade you wish to refer to?—I want a duty on riddles and sieves of all kinds, which at present come in free. Since the duty was put on manufactured wire-work I have become an employer of labour, and if I could get a duty put on sieves I could employ more.

152. How many persons would this enable you to employ?—It means a large number, as there is a great demand for sieves.

153. Can as good an article be made here as can be imported?—Yes, by going into the manufacture in the manner I would like to. I have made some five or six dozen the last few weeks.

154. How much duty do you think would effect what you want?—If you could see your way to put on more than 20 per cent. it would be better—say, 25 per cent.; but I could work at 20 per cent. The next item is wire netting.

155. Are you prepared to make wire netting in New Zealand?—I have just completed 4,000 yards of sheep-netting, but I find it so hard to compete with the imported netting that I am about to let my hands go.

156. Do you think you could manufacture it at the same price as the imported, less the difference in the duty?—I feel sure I could produce both galvanised and black netting if I had 20 per cent. duty on the imported. I imported the necessary plant for making it, but finding there was no protective duty I laid it on one side.

157. Supposing all the circumstances were favourable, do you think it would be possible to produce netting at anything like the price of the imported?—Yes, my brother is now turning out miles in Dunedin, but both of us find it very hard to compete with the imported.

158. Is the netting made in Dunedin made by machinery?—Yes; but I have been making it by hand.

159. *Mr. Tanner.*] What are the prices of the imported sieves?—No. 10, which is the one generally used, could be landed at £1 a dozen, and I have to make them at the same price, but they do not pay me.

160. That means you earn a bare subsistence by equalling the price of the imported article?—Yes.

161. You have supplied them to Christchurch merchants?—Yes.

162. Is it a growing trade?—Yes; I have ten hands; three years ago there was only myself.

163. Can you make seed-cleaning machines?—Yes.

164. *Mr. McGowan.*] If you had a duty, would you be able to supply other articles of wire manufacture as cheaply as they are imported?—Yes; I have shut out the imported mattress-springs since the duty was put on; I could not compete with them before.

165. You want a duty not only on sheep-netting, but on rabbit-netting?—I should like to see 20 per cent. on them.

166. What amount are you charging now for a rabbit-netting?—I am not making it, as I cannot touch it.

167. You could if the imported were 50 per cent. dearer?—Yes.

168. You cannot tell what you can make it at?—I could not. My brother is manufacturing the rabbit-netting in Dunedin, and will give you more information than myself.

169. *Mr. Stevens.*] Do you understand that the riddles and sieves are imported duty-free because they are used by farmers as agricultural implements?—My way of looking at it is that they come in as manufactured riddles and sieves duty-free, and it is difficult for me to compete with them at the imported price.

170. You do not find that a large number of the riddles and sieves you manufacture are used in training-stables?—Some are so used, and the others are used as lime and cooking sieves. I make from No. 4 to No. 20.

171. And for sifting grain?—What we call Tuck sieves would be used for that purpose.

(8.) Deputation from the Amalgamated Society of Engineers, Christchurch (George Henry Watson, James Chalmers (Secretary), Benjamin Firth, James Anstiss, and D. S. Turner.

172. *The Chairman.*] You appear, I understand, as representatives of the Amalgamated Society of Engineers?

Mr. Watson: Representing the Christchurch Branch. The society recommend that the tariff duties be increased on engines (marine, locomotive, stationary, traction, portable, and mining), boilers (land and marine), bicycles, tricycles, and all machinery not otherwise enumerated (patents excepted), as specified in the tariff list we now hand in [list put in].

173. *Mr. Tanner.*] Why except patents?—If patented in the colony we have to except them.

174. *The Chairman.*] We understand you hand in for our use and information a detailed list of the items upon which you ask for an increase of duty. Some of these items are duty-free under the present tariff—for example, engines and boilers used for agricultural purposes—and you now ask that these should be made dutiable?—Yes.

175. As regards the items at present duty-free, what amount of duty do you wish imposed?—On agricultural machinery generally, 30 per cent.; on locomotive engines which have been made in the colony we have put down 50 per cent.; for items already marked 20 per cent. we ask for increased duties ranging from 50 per cent. down.

Mr. Chalmers: Our society is composed of various trades, and we recommend these duties because there are smiths, &c., also amongst us. At a meeting of the society it was resolved that the standing committee revise the tariff, with a view to increasing the duties on all machinery and engines and ironwork that can be made in the colony. The committee have examined the tariff, and beg to submit the marked copy (already put in) for your kind consideration. In doing so we beg to state that, in the opinion of this society, nothing but a very high duty will prevent the importation of machinery, &c., and enable makers to start manufacturing the same in the colony. We wish to exempt raw materials, also all patent machinery patented in this colony. It might also be advisable in rare cases to admit the first machine, if new, duty-free, but we submit that the importer should not be the judge (in some cases the sole judge) of whether or not an article can be made in the colony. As skilled mechanics and engineers we are quite able to give our decision, and, if a manufacturer wishes to make any machinery, this society will find competent workmen to make the same, either in the colony, or will bring them from Australia. We consider it a great injustice to the mechanics in the colony that so much machinery is imported; and we would also call your attention to the fact that the majority of the students in the Technical College are learning the engineering trade, and that there are also numbers of apprentices in the Government and other shops, and if the present system of importing machinery is kept up there is not the remotest prospect of their earning their living at the trade. This is an injustice to them, and a useless expense to the Government. You will notice we have not put a uniform high tariff on all things, but have, for various reasons, made a considerable difference in all classes of machinery. Our branch secretaries in Dunedin, Wellington, and Auckland will give you any further information required.

176. *The Chairman.*] You claim, Mr. Chalmers, that all the things you have enumerated can be made in the colony?—Certainly.

177. Can they be made as good as the imported article?—Yes, the workmen here now are principally workmen who have come from the Old Country.

178. The duties you propose are those you think necessary to put you on an equal footing with the English manufacturer in regard to price?—Yes, and to enable us to start manufacturing here.

179. Supposing these duties were imposed, and the whole business of the manufacture of these articles were a local one, and importation were to cease, what would be the effect as regards labour?—Further employment would be given.

180. Have you any idea to what extent?—I really do not know. In our society at present there are about three hundred members for the whole colony.

181. Does that embrace all the men in the trade?—Not half.

182. Supposing it represented one-half, there would be six hundred in the whole colony?—Yes.

183. Supposing that all this business were done in the colony, would that double the trade?—We would manufacture twice as much as we do now, and eventually the number of employés would be doubled.

184. Are the men engaged in your trade working full time?—In some places, but generally they are slack. Some are working half-time, and Andrews and Beaven are talking of closing altogether.

185. Would the increased cost to the persons who have to buy this machinery be a permanent increase if you got the whole of the business into your own hands, or would you be able to produce eventually an article at a lower price than you can produce it now?—Certainly; Duncan makes ploughs quite as cheaply as they can be imported, and the increased cost to the purchaser would not be maintained. Eventually we should be able to produce it at a price that would compare with the Home price.

186. The bicycle and tricycle industry has become a large one, has it not?—There are seven or eight factories in Christchurch.

187. Did you read an article published not long ago purporting to be an interview between a reporter and a bicycle-manufacturer?—I did not, but I have heard about it.

188. Are you aware that there was a statement made in that article that bicycles could be produced now locally at a price that competes with the machine imported from Home?—If the statement was made it is not true.

189. It was stated that the price of a bicycle imported was lower than the price of the article produced here, but it was claimed that the local machine was a superior article, and was driving the English machine out of the market?

Mr. Watson: I think that some machines are being imported at the present time that seem to be made up for exportation only, but I do not think the local makers can compete with the best English goods.

Mr. Chalmers: One reason the imported bicycles have got a very bad name is because they are of German make, and the public have got frightened of all the imported ones. The statement referred to in the newspaper is not true.

190. *Mr. Tanner.*] Would prohibitory duties on machinery lead to a monopoly being established in the colony?—I think competition will always stop that.

191. Why should we allow the importation of machinery free, whether it is patented or not. We have to think about the revenue?—Machines made in England and also patented in the colony we are prohibited from making—a cream-separator for instance. If the patent does not protect it I would certainly say make it here.

192. Are you under the impression that if a machine is patented it must necessarily be admitted free?—Certainly not.

193. Are Tangye boilers patented?—They were, but I think the patent has run out.

194. Would it be right to put a duty on these things?—Certainly, if they could be manufactured here.

195. *Mr. Mackenzie.*] Do you suggest that agricultural implements should be subject to a duty of 30 per cent.?—On all that can be made in the colony.

196. £65,000 worth was imported last year. You pointed out that in Christchurch two or three fresh shops have been opened, so that even now without protection they are doing very well?—Some of them are very slack.

Mr. Turner: When Andrews and Beaven work full time their wages run from £100 to £110 per week; they are now only working half-time.

197. *Mr. Mackenzie.*] Is not the falling-off due to the fact that a lot of farmers are going in for grazing rather than cropping?

Mr. Chalmers: We admit that is one cause, but, still, there is a lot of English machinery imported.

198. *Mr. Mackenzie.*] For some years after a protective tariff was put on farmers would have to pay an increased price for agricultural implements?—Yes.

199. Do you consider that farmers at the present time can afford to pay a higher price for machinery?—Most farmers have already got the machinery; and, as the country is going in for small farms, I do not know that it will affect the farmers much.

200. The fact is that just now an increased price in these goods might handicap farmers very much; and do you think it is a wise thing to do in that case?—I am very doubtful whether it could do so; the price of these goods is already fixed.

201. If you increase the duty 50 per cent. it would not increase the price?—Individual competition will keep the prices down as low as they are now.

202. What are the average wages paid in your trade?—The minimum rate is 9s. a day; but we do not work the whole year. There are ten men in our society who have worked less than six months in the year.

203. Will the trade average £2 a week?—Some men in the Government shops are in steady work, others in the town shops are not. Leaving out the Government, you can put the average earnings down at £2 6s. a week.

204. *Mr. McGowan.*] You must be aware that there are other people who ask to be relieved of some of the duties on the very machinery you mention?—We have fully considered that, and you will find very little duty on some things—bootmaking machinery for instance. I do not think we have interfered with that at all. We consider that traction-engines, as agricultural machinery,

should not be admitted free, as they are only used for agricultural purposes about two months in the year; the other ten months they are used to compete with the State railways.

205. I want you to see that the tendency of your request is directly contrary to the interests of the smaller industries?—I do not think so, but we understand that the tendency is to make the goods dearer to whoever uses them.

206. You said the importer should not have the power to decide?—I said he should not be the sole judge.

207. And who should be, unless it is the man who pays the money?—The man who can make the article required; he should be one.

208. *Mr. Hutchison.*] Are there any other effects that are likely to flow from the imposition of these proposed duties besides the increased employment of labour?—The apprentices, after they have served their time, will be able to obtain employment at their trade, instead of having to abandon it, as they do at present. Young men like Mr. Pratt and Mr. Tinrell, who have received a college education, and have become first-class theoretical engineers, cannot get work in this colony, and have to leave the trade, and take up something else.

209. What difference is there between these young men and any other young men?—There is no difference, only I am giving them as an instance of men who really have learnt the trade, and have acquired technical knowledge, and who have received a college education, and have not been able to get employment.

210. Have you given us all the reasons for these differential duties?—I could not altogether do that; it is rather a complicated question; but take dairy machinery for instance, we have proposed simply 10 per cent. on that, because at the present time we thought it would not be beneficial to the colony in general to put a prohibitive duty on that class of machinery.

211. You want parts of bicycles free of duty?—Yes.

212. Do they make bicycles in Christchurch from top to bottom?—No; that is one reason you will find the proposed duty on completed bicycles is more than the proposed duty on partly-manufactured bicycles.

213. What parts do they make?—Treadles and parts of the wheels they import; the spokes, centre, and axle they make here.

214. Are all these trades included in your parent society?—Yes.

215. *The Chairman.*] Could you make electrical machinery in the colony?—We have exempted that.

216. Gas-, water-, and flour-engines?—Yes.

217. All the items required for dairy machinery?—Yes, with the exception of the patent machinery—cream-separators.

218. You claim to be thoroughly as good workmen, and to have equally good appliances with those in the Old Country?—We are the same workmen.

(9.) Deputation of Christchurch Tanners and Curriers (Alexander McKinnon, John Milne, Edmund Sheard, and Frederick A. Webster).

219. *The Chairman.*] Do you attend generally as a deputation on behalf of your trade?

Mr. McKinnon: On behalf of the leather trade—the employés. There is one employer here, Mr. Webster.

220. *The Chairman.*] What is the matter you wish to bring before the Commission?—The leather trade sent a petition to Parliament last session asking for an increased duty on certain lines in our trade, viz.: on tweed or buff leather we asked for a duty of 6d. per pound, the present duty being 2d.; on dressed kangaroo 6d., present duty 3d.; levant, cow, and horsehides, East India kip, levant n.o.e., ordinary kip, tanned hides n.o.e., dressed splits, splits in rough, kangaroo in rough, calf other than French calf, 6d.; bookbinders' leather, light-stained leather, roans, Persians, sheepskins, and goatskins dressed, 25 per cent. Under the present tariff harness-leather carries a duty of 6d., and we have found since that duty was imposed that the harness trade has increased considerably. In Wellington, where three men were employed dressing harness, there are now ten. With regard to East India kip and American splits—present duty 2d. and 1d.—we are prepared to exhibit to-night samples equal to what can be imported, or superior.

221. You claim to be able to produce these articles in the colony?—Yes, if an increased duty were put on we could use up all the "yearlings" we have in the country. My employer told me he is tanning "yearlings" and sending them Home because East India kip is preventing him manufacturing them here. We are informed that the American split sent here is surplus stock, and it is not so good an article as we can produce. It comes into competition with our local manufacture, and tells very heavily against the price of the local article. Last year tons were sent Home from Woolston that might have been dressed and sold in the colony.

222. It was sent Home because the American split drove it out of the market?—Yes; since then the market has improved, and we are holding our own against the American split, because the latter supply is of inferior quality.

223. You ask that the duty on East India kip should be raised to 6d.?—We ask that it should be raised to the standard of harness-leather; at present the two duties are not proportionate.

224. You are aware that there is a shoe- and boot-making industry in the colony, and many of these leathers are used in this industry?—Yes.

225. How would the increase of these duties affect the bootmaking industry? Would it be felt as a hardship by the bootmakers here?—We had a conference with the bootmakers last year, and we were agreed about the matter. They were quite willing that we should recommend the duty I have mentioned.

226. Supposing the outside competition were shut out, would the tanners and curriers be able to produce goods more cheaply than they can now?—Yes, there is a case in point in the harnes

trade. After the duty was put on in 1888 harness-leather became 1d. per pound cheaper than it was before the increased duty was imposed.

227. You claim that in the end the purchasers would not be at a disadvantage?—No.

228. *Mr. Tanner.*] Do you think the colonial manufacture of leather has at any time been placed at a disadvantage by the importers of the present imported leathers selling at low prices, or even at a loss, in order to cripple and contract as much as possible the colonial industry?—I am perfectly certain of it.

229. Can you give any evidence in support of that without mentioning names?—Some years ago I was in business myself in the tanning and currying trade, and I dealt with a firm in town who did exactly the thing you are talking about. They imported a lot of leather offal, and came to me afterwards and offered me a reduced figure for my leather because they said they were full up.

230. Is it a fact that during the past few years consignments of dressed leather have been sent to the colony to be sold at whatever prices they would fetch?—I am quite aware of that.

231. Are you aware that the American split introduced into the colony of late years has been sold in Auckland at the most ridiculous figure possible?—I have heard of it being sold at 5d. per pound.

232. And you are aware the duty is 2d. per pound?—Yes.

233. Do you consider the American split at all an equal article with the colonially-manufactured split in point of durability, in finish, and in general appearance?—No. I am prepared to show colonially-manufactured split to the Commission to night that will compare favourably with anything.

234. Do you think the use of material manufactured of American split has been the means in a large measure of bringing colonial-made boots into disrepute?—I do think so, because I know for a fact that when boots have not given satisfaction to the wearers the bootmakers have told them it was bad colonial leather.

235. And it has been proved to be American split?—I do not know what it was.

236. Has the use of American split in boot-uppers by colonial manufacturers of low grade been the means of flooding the colonial market with a cheap line of common goods which has brought decent colonial manufacturers of boots into disrepute?—Yes.

237. Do you know whether it is a fact that the American split landed in Auckland has found its way throughout the colony, and has been sold in New Zealand at a price far below what it can be procured at in America?—I am aware of that. It is being sold in Auckland at 5d., and we all know it cannot be purchased for 5d. in America.

238. Is it true that it is supported by an American system of bonus on exportation?—I cannot speak decidedly of that.

239. *Mr. Mackenzie.*] You do not look upon it as a crime to sell leather occasionally to manufacturers at less than it costs?—Yes, I do.

240. Do the purchasers in that event get the advantage, or the manufacturer?—The purchaser gets the advantage, but the advantage is a great disadvantage to a great many other tradesmen in the colony.

241. What effect to the wearers in the case of boots will the increased duty that you contemplate have?—I do not consider it will have any effect upon the price.

242. You think it will have very much the same effect as putting a protective duty on the woollen goods?—I am not aware as to how the price is affected in the woollen industry. I can quote the case of Melbourne, where they imposed a protective duty very much heavier than we ask here. This is merely a revenue duty, and you can buy boots and shoes in Melbourne cheaper now than you could before they imposed the protective duty.

243. *Mr. McGowan.*] You state that there has been no increase in the cost of the manufactured article since the duty was put upon harness-leather?—That is so.

244. How do you get clear of the fact that saddlery has increased in price 5 to 7½ per cent. from the time this duty went on?—I am not aware that saddlery is any dearer now than it was before.

245. Nevertheless it has been so stated?—Before the increased duty was put on you could buy a set of harness in town for £9 10s., and now you can buy the same harness for £7 10s.

246. *Mr. Stevens.*] Supposing you were able to dress these "yearling" skins, how many extra men would be employed in the dressing throughout the colony?—During 1891-92 the returns show that there were imported into the colony 412,770lb. of leather of all kinds, and the bulk of that could be manufactured here if the duty were increased. I think employment would be found for at least a hundred and fifty men. I have been given to understand by a manufacturer that a great deal of East India kip comes in free of duty, for the reason that the best kind of East India kip, unless handled in the Customs by an expert, would pass for French calf, which does not bear duty. The average earnings of the men would be over £2 a week.

247. Where would you obtain the yearling skins in the colony from which to manufacture the leather?—There are thousands of yearling hides imported.

248. You do not mean calf?—No, yearlings.

Mr. Stevens: That is news to me!

Witness: Hundreds are tanned and sent to England in the rough.

249. *Mr. Stevens.*] From whom do you buy these skins?—They are always bought in the market here at auction.

Mr. Stevens: My experience is that you might get a yearling skin if the animal dies, but a yearling is not killed for its skin.

Witness: But there is a class of light cowhides, and they answer the same purpose as East India kip, and they are called yearlings.

Mr. Stevens: That explains it.

250. *Mr. Hutchison.*] Did you say this yearling skin would be equal to East India kip?—Yes.

251. And you are giving that as your mature opinion on the subject, because we have evidence to the contrary—that there is really no skin that can make East India kip equal to the kip obtained from the skin of a particular animal?—I have always held that opinion.

252. I suppose you are aware that the general opinion is that New Zealand leather is not equal to the imported leather?—There is a prejudice to that effect amongst some people. The fact is that, owing to the competition with the imported, the local manufacturers have tried to get as cheap an article as possible, not having had the encouragement to make a good article.

253. You said the increased duty would not increase the price of boots and shoes. Why? Because from the additional consumption the price of the labour would be reduced?—Not exactly the price of the labour, but the facilities for manufacturing would be increased. We would get improved machinery and larger shops, and it would be done, therefore, much cheaper.

254. It would not be the workmen who would suffer?—No, I cannot think so, because as workmen we would very much resent that sort of thing.

255. *Mr. Mackenzie.*] Can you tell me if the kowhai tanning is any good?—It is a sort of birch.

[Samples of leathers produced at the end of examination.]

SATURDAY, 16TH FEBRUARY, 1895.

(10.) GEORGE HENRY BLACKWELL examined.

256. *The Chairman.*] You are the managing director of the Kaiapoi Woollen Factory?—Yes, both the mills and clothing-factory. I thought, as representing such a large industry, you would probably like to get our views. Our feeling is that, as far as it applies to purely woollen goods, the present tariff is fair and reasonable.

257. What are the exceptions to it?—The low-class shoddy goods imported in piece and clothing, which compete with us owing to the low price of the goods, and the quality. The present tariff gives us better protection in the better-class goods, because the *ad valorem* is more keenly felt by importers. The same applies to clothing. We have largely succeeded in running out the bulk of the better-class goods, both the woollen piece-goods and the better quality of clothing. The duty on the low-class goods is the same as on the better-class goods—20 per cent. on piece, and 25 per cent. on apparel.

258. How do you propose to remedy what you complain of?—I think the *ad valorem* principle is almost futile on the lower-class goods. There are lots of boys' clothing invoiced at Home at 2s. 6d. up to 5s., and the 20 per cent. duty is scarcely felt. I think, in addition to the *ad valorem* duty, an impost of 1s. per garment would have the effect of stopping it. In the case of boys' suits, it would be on two garments; for men's and youths' suits, it would be on three. I think this suggestion would have the effect of keeping the local mills employed.

259. *Mr. Stevens.*] It would mean an addition of 25 per cent. on the garments?—Yes; 9d. to 1s. would cover the cost on the small juvenile clothing. Above 5s. we are able to compete successfully.

260. *The Chairman.*] Have you any suggestion to offer with regard to the piece-goods?—The same remarks would apply to them, but the mode of application would probably have to be at per yard. I imagine that for tweeds invoiced at Home under 1s. 3d. you could have an impost of 6d. per yard. Men's suits would come under the same suggestion as boys' suits—say, men's suits invoiced at Home at 12s. 6d. and under.

261. Do you mean to say suits are invoiced at that price?—Yes. Those are all the suggestions I have to make with regard to woollens and clothing.

262. Do you make blankets and flannels?—Yes; the present tariff covers them fairly well, but there is a class of blanket brought in which we can never attempt to compete with, and we are not so foolish as to try. The blankets imported now are all of a very low-class quality; in most cases the whole of the warp is made of cotton, and a heavy waste weft is put in. There are also one or two anomalies in the tariff with regard to trimmings which I should like to refer to. Slate hollands for tailors' purposes come in free, while cream hollands, used for the same purpose, have an impost. I can see the difficulty of deciding what is dutiable and what is not. Russian braids and lanyards, which are largely used for trimming boys' suits, pay 20 per cent., and I suggest that they should be admitted free. That will enable us to compete more successfully with the imported juvenile clothing.

263. Is there not a large quantity of this shoddy cloth used for the lining of the waterproof clothing now made in the colony?—The better class waterproofs I do not think have much shoddy in them, but I have seen a large number in wear with that lining.

264. Do you make up overcoats?—Yes, and we line with the best material. The overcoat trade for three years past has been small, owing to the change of fashion, and we contemplate making up the waterproofs ourselves.

265. Do other manufacturers use shoddy?—I could not say. In the majority of cases waterproof clothing is not lined with that kind of stuff, if lined at all.

266. Would tweed overcoats be lined with this shoddy cloth?—We make two special linings for our overcoats, but we are not making up more than half of what we were making five years since.

267. Then, you think that shoddy is not used by other manufacturers in working up overcoats?—I do not think so.

268. If this special charge per garment which you suggest were made, would it be possible for a man to invoice an article a fraction above the price in order to escape the special duty?—I see

your point; but there is no doubt that the Customs tariff is at present being evaded largely. You have the same difficulty in the *ad valorem* tariff, where the value can easily be reduced.

269. *Mr. Tanner.*] *Re* this overcoat lining: you could supply an equal quality at an equal price for the same purpose?—I have never seen a waterproof coat made with the lining. The clothing is made and waterproofed, and the underside of the cloth is of different colour. It is a sort of double cloth that is manufactured, and the underside serves as the lining.

270. Is it a fact that ordinary overcoats are frequently made up with a sort of rough woollen lining made for the purpose?—It is quite possible.

271. You have no absolute proof of the matter?—No; I do not think in this district there are very many coats made except what we make ourselves.

272. You say that no doubt the Customs tariff at present is largely evaded?—That is my impression; and I think I can say it may be evaded in the way the Chairman has referred to.

273. You have no positive evidence?—No.

274. Is it not the fact that your company have gone largely into the manufacture of hats and caps during late years?—Yes.

275. Is it an increasing business?—No; I think we have about the same staff making hats that we have had during the last five years.

276. It is a branch of the business which did not exist six years ago?—Yes.

277. Do you make "mauds"?—Yes. There are more carriage-rugs made than "mauds." The latter are more expensive than rugs.

278. How long has that branch of the industry been established?—It has existed from the beginning, and has grown with the growth of the company.

279. Can you give me a rough estimate of the number of work-people you employ in the two establishments?—Six hundred and fifty.

280. Have you any idea of the total amount of wages paid by the company?—Last year it amounted to £47,000 for the year—wages and salaries.

281. In conducting your business, you necessarily support other kindred local industries?—Very largely.

282. Which trades would not have had a place in the colony were it not for the establishment of the factory?—Yes, we presume that.

283. *Mr. Mackenzie.*] Your suggestion as to a special duty on garments applies only to the shoddy goods and not to the pure cotton?—I do not think I should apply it to the cotton, and with regard to the juvenile suits I suggest that it should apply to the low-class tweeds and serges, not to the cotton suits.

284. Would you keenly oppose the suggestion to exempt union tweeds invoiced at 9d. per yard?—Yes. On the better-class goods we make no suggestion of a further increase in the present tariff. We are driving that trade out.

285. Does it never occur to you to introduce some cotton into your goods?—We did once, and decided no.

286. How do you find the Trade-marks Act work now?—In our case we have not found it operate against us.

287. *Mr. Stevens.*] Do you think the importation of shoddy goods will be prevented by the imposition of the extra duty?—Largely, as with this additional duty we could almost compete with them.

288. And you could compete with them at a similar price?—I think so, and produce a better article.

289. *Mr. Hutchison.*] There is no comparison, I presume, between the article you make and this shoddy?—None whatever; a piece of tweed sold in Kaiapoi as Kaiapoi tweed was submitted to our finisher, who identified it as Yorkshire shoddy.

290. Did you say there was no wool in shoddy?—Many of the largest mills run the whole year round without buying an ounce of wool.

291. What is shoddy?—Old clothes and cotton. Our cuttings from the local factory we regularly ship Home.

292. What is a "maud"?—A large plaid.

293. How many employés are there at the mills?—303.

294. How many are girls?—About half.

295. How is it you are able to keep them fully employed when other mills fail to do so?—I presume it is on account of the quality and value of our goods.

296. You think the Kaiapoi goods excel others?—They please the public.

297. Perhaps you have better travellers?—We have our own men; so have the others. We declined in November a very large wholesale order because we could not execute it.

298. *The Chairman.*] Is there anything further, Mr. Blackwell?—There are recommendations I made to the last Commission I do not wish to repeat here—viz., that all patent machinery that cannot be manufactured in the colony should be admitted free. Owing to the change in the tariff in Melbourne, in one year in the bootmaking industry they imported machinery enough for four times the population, and the result was the factories were competing with each other, and ultimately ran only half-time. There is just the possibility, if the tariff were removed, the same effect would follow here. As far as our own industry is concerned, there are plenty of mills in the colony.

299. Have you any objection to your name appearing?—Not at all.

(11.) Mr. G. S. Jakins examined.

300. *The Chairman.*] What are you, Mr. Jakins?—A grain and produce merchant in Christchurch, and of thirty-five years' standing in New Zealand. I wish to see the Commission on the

question of produce, the duty on which in this colony is an *ad valorem* one. In all the other colonies it is according to weight per ton. Potatoes in New South Wales are charged 10s. a ton, Victoria 10s., South Australia £1, Queensland £1 10s., Western Australia £1, Tasmania, and New Zealand 20 per cent. *ad valorem*. If we were so unfortunate as to have a potato-blight, one of the chief necessaries of life would be taxed, and the dearer potatoes were on the other side the dearer they would be here to our people. I am having a little correspondence with the Customs at Auckland now over some cases of onions I received from San Francisco: the cases, including the *ad valorem* duty, amount to 50 per cent. of the value of the onions. I do not think the cases should have to pay an *ad valorem* duty.

301. We understand you to ask that the duties upon produce should be levied at per ton instead of *ad valorem ?*—Yes.

302. What duty per ton do you suggest?—10s. would be a very fair tax.

303. Have you anything to say with regard to grain?—I import very little grain, and I think the duty on grain might be knocked off altogether. Excepting in the case of a change of seed, or blight, we are not likely to import any oats or seed. This duty, if levied, should be levied according to the cental system. In America they are reducing nearly all their duties on produce. I send onions regularly to Honolulu from here, and we have sent several shipments to San Francisco. The duty there now is 20 cents; previously it was 40 cents. In the tariff brought out last September, which replaces the McKinley tariff, the duty on corn is 15 cents. We have to import a few onions every year as ours will not keep for a few months in the year; and delivered in Wellington this time with a very cheap freight, and obtained at a very low price, they cost £12 a ton from San Francisco, including duty. I have also imported a Badcock tester for my butter-factory at Belfast, under the impression that all machinery and appliances for the dairy industry were duty-free, but I find that I am mulcted 20 per cent. in duty.

304. *Mr. Tanner.*] Was that shipment of onions from America a success commercially?—Two shipments were; the last arrived in bad order, and made the result even.

305. What is the American duty on imported maize?—Their maize-crop this season is a failure. The duty was 15 cents originally; now it is 15 per cent. On barley it is 30 per cent. per bushel of 48lb.; on malt barley, per bushel of 34lb., 40 per cent.

306. You described the duty on cases as being half the value. Did the cases cost 1s. 3d. if the onions cost 2s. 6d.?—Onions costing 95 cents in the case cost 65 cents in bags, and when you have paid the *ad valorem* on the case you are really paying a third more; 33 per cent. of the wood has to bear an *ad valorem* duty.

307. *Mr. Mackenzie.*] You think the duty ought to be taken off grain altogether?—Yes.

308. Is it not a fact that a considerable quantity of grain has been imported from Australia during the last twelve months?—Yes, because ours was inferior.

309. And also flour?—I do not class flour with grain, and I do not object to the duty on flour, because that is a manufactured article.

310. It is imported not because our crop has been a failure, but because they have an extra yield?—I do not think we shall require much grain from the other side, and I consider the freight charges are quite sufficient protection to our farmers.

311. Are you aware that the Sydney people are able to offer flour to the island traders £2 a ton less than we can?—I do not think it is £2 a ton. Last year we had no wheat to spare, but when we have a surplus I think our price for flour is pretty well the same as that of New South Wales. The reason New South Wales gets the advantage is because its flour is made from a drier wheat, and keeps better in a warm climate.

312. *Mr. Hutchison.*] Is there not such a thing sometimes as a "corner" in wheat?—I have never seen it in my time.

313. Could you say if anything of the kind has taken place in Dunedin?—I have never known of what is called a "corner" in wheat or oats.

314. *The Chairman.*] How do you buy the onions in Fr'isco?—They are all brought into Fr'isco in bags holding 100lb., and you buy them in bags at the market rate—from 60 cents to 65 cents per 100. Then when we have shipping orders they are cased.

315. The only charge for casing is the labour in putting them into the cases?—Yes; I tried importing them in bags. The first shipment arrived good, the second very bad. 30 per cent. is the cost of putting them into cases, and the cost of the manufactured cases, without any profit to the middleman in Fr'isco.

316. Is not this Babcock tester in the nature of an instrument rather than a machine?—It is driven by steam, and it is a machine in which we test twelve samples of milk at a time.

317. Are you aware they are being made in Dunedin?—Yes; but the "glasses" have to be imported.

[I referred to the duty on lemons being on the fruit only (cases were not charged duty) as an instance to show that cases should not pay a duty when containing onions or potatoes. This is omitted from your report, and I therefore send this memo.—G. S. J.]

(12.) Ebenezer Charles Brown examined.

318. *The Chairman.*] You are the manager of the D.I.C., Christchurch?—Yes. My representations are chiefly in connection with the decisions we get from time to time under the tariff. Galatea drills we import largely, and out of twenty-five patterns, all exactly the same texture, we find that four have been selected as duty-free, and twenty-one are made dutiable. [Samples produced.]

319. *Mr. Hutchison.*] They would give you a reason?—I cannot say what it was.

320. *The Chairman.*] An explanation has been given to us. Could the other twenty-one patterns be used for dresses?—It is possible, but they were invoiced as Galatea drills. We claim they are the same goods as the other four, and ought to be treated in the same way. We never know what is dutiable and what is free, and wish to be relieved from these constant surprises. In the tariff cotton tickings are free and union tickings are 20 per cent. They are very much alike, and we have one free and one dutiable. Both are used for the same purpose, and ought to be treated alike [samples produced]. Turkish towelling: Roller towelling in the piece is admitted free, but towels in the dozen are dutiable. Both are the same material [samples produced]. Striped silesias [samples produced] are admitted free as tailors' trimmings, and when imported by a draper are dutiable, though imported for sale to tailors. They were admitted free in August, 1894, and made dutiable in April, 1894. Flannelettes: This is another case where certain patterns have been picked out for duty and others passed free. I think flannelettes ought to be made dutiable, because they are interfering largely with the local manufacture of woollen goods. In brown hollands [samples produced] we did a big business, but the imposition of the 20 per cent. duty has nearly killed the trade. They were used by poor people, but since the duty was put on they do not buy them.

321. Flannelettes are charged duty on the allegation that they are dress goods?—They are used for children's night-dresses, petticoats, &c.; seldom for dresses.

322. *Mr. Mackenzie.*] Do you consider there is much difference between a flax sheeting and a forfar sheeting?—There is very little difference.

323. Do you consider that forfars are taking the place of hollands?—Yes, in some cases; but not for children's pinafores, &c.

324. Do you not think it would be better to have an average duty on soft goods of, say, 10 per cent., and 20 per cent., or 22½ per cent., in place of the five classes we have now—free, 10 per cent., 15 per cent., 20 per cent., and 25 per cent.?—I do. It would be very much more satisfactory to the trade, and I do not think it would do any injury to the Customs revenue.

325. Regarding shirtings, flannelettes, and those cotton goods: what is your opinion of throwing them all into one class?—I should put them into the 10-per-cent. class, leaving calicoes as they are, and bring hollands down to 10 per cent.

(13.) Harman P. Finemore examined.

326. *The Chairman.*] What is the subject you wish to refer to?—Saccharine. I represent, in Australasia, Wilson and Salamon, the London patentees. The duty on this article is a prohibitive one at present, viz., 5s. an ounce. 102½oz. have been imported during the last five years, which shows plainly that the duty is prohibitive. The duty on sugar is £4 13s. 4d. per ton, and on 8lb. of saccharine £32. 8lb. of saccharine is equal to 1 ton of sugar in strength, and we want the duty reduced to the equivalent duty on sugar if possible.

327. The Customs Department argue that it can be used in substitution of sugar?—That is impossible, with the exception of the cordial trade, which is the trade to which we specially appeal. In the other colonies the duty is levied *ad valorem*—New South Wales, 10 per cent.; South Australia, 15 per cent.; Western Australia, 12½ per cent.; Queensland, 25 per cent.; Victoria, a nominal duty of 6s. per hundredweight. It is imported under the head of "chemicals." In all these colonies the Colonial Sugar Company have works, and have never opposed its introduction.

328. What is the value of 1cwt.?—Roughly, £300.

329. Has saccharine come into competition with sugar in regard to general consumption in the other colonies?—Not to my knowledge. It is impossible to use it in domestic use, on account of its strength.

330. What would be the probable consumption were it allowed in on the basis of sugar?—I calculate the duty derived from it would be about £2,000 a year.

331. At what duty per ounce?—About 6s. 8d. per pound. I calculate 5,000lb. would be used in a year.

332. You claim there would be no loss to the revenue, because the duty on the amount imported would be equal to that on the amount of sugar displaced?—Yes.

Mr. Glasgow: A cordial-manufacturer would use 1lb. of saccharine, otherwise 300lb. of sugar.

333. *The Chairman.*] 300lb. of sugar would produce 12s. 6d. in revenue, and to prevent loss of revenue it would be necessary that there should be a duty of 12s. 6d. per pound on the saccharine?—We want to be put on the same basis as sugar, or a little over would satisfy us.

334. If the duty were reduced to £1 that would be a large concession to you?—Yes.

335. If tabloids were admitted for medical purposes at a reduced duty, could they be used for other than medical purposes?—No; they are not formed of pure saccharine, but are made with starch. I should place them on the basis of proprietary medicines.

336. *Mr. McGowan.*] Would not the saccharine be used in syrups?—No; only in the manufacture of syrups for aërated water. There is no body in it.

337. If the duty on 1lb. of saccharine were made equal to that on 300lb. of sugar, would not the country lose something in labour?—We are prepared to have a little extra duty to equalise that.

338. *The Chairman.*] Can saccharine be used for brewing purposes?—No; it is a non-fermentative.

339. Do you know if saccharine, used medically in the form of tabloids, has any medical value, or is merely given to diabetic patients in substitution for sugar to gratify their desire for the latter?—It is claimed to be a valuable medicine in the case of diabetes.

340. Is it deleterious to health?—No. I can produce medical testimony to that effect.

341. Is it one of the products of coal?—Coal tar.

342. Do you object to your name appearing as a witness?—No.

MONDAY, 18TH FEBRUARY, 1895.

(14.) GEORGE GATONBY STEAD examined.

343. *The Chairman.*] I think you attend before the Commission, Mr. Stead, for the purpose of making one or two suggestions?—Nothing more than suggestions, and they are only my individual opinion. In a general way, I am not in favour of Protection; at any rate, if it has the effect of increasing the cost to the consumer, I think it is a mistake. On the other hand, I realise the importance of encouraging local industries, and in one particular staple it appears to me that by a little judicious arrangement of the tariff we might encourage a very important local industry without increasing the cost to the consumer. I refer to woollens and clothing. We grow the wool, we send it to England, we have it made into tweeds and clothing, and sent back to New Zealand. I cannot help thinking this is a mistake, as the whole of our local woollen factories are producing a cloth which, as far as durability is concerned, is quite equal to English manufactures. The colonial tweeds are quite as cheap, if not cheaper, than the tweeds we are importing; but at the present moment a considerable number of the well-to-do classes choose to import their clothes from England because they get a better-cut coat. I get my clothes from England, made by a London tailor; yet I am prepared to advocate that such a duty should be placed upon such things as we can produce in this colony as would absolutely prohibit the importation of English-made tweeds and English-made clothing. I think, if you put a prohibitive duty upon woollen clothing, you would do really well to the country. It is a mere "fad" or question of fashion that induces many of us to import our clothes, and I think, if we live in the country, we should spend our money in the country. Of course, the point I am arriving at is that Protection, if it increases the cost to the consumer, is a mistake; but there are one or two lines, and woollens is one, in which by a judicious application of the tariff you would absolutely prohibit the importation, and yet not increase the cost to the consumer. The same argument applies also to leather and boots. I plead guilty to importing my boots from England, while I ought to depend upon colonial industry; and I am of opinion we should put such a duty upon these articles that men like myself would be compelled to buy our boots in the colony. You say, "Why do you not do so now?" But I am only one of thousands, and I am not prepared to make the self-sacrifice unless my neighbours are compelled to do the same. One man's efforts would do no good. I do not believe in Protection when it increases the cost to the consumer, and I do not believe that Protection would do any good if you endeavour to foster an industry that has no natural advantages; but in woollen and leather goods you have natural advantages unsurpassed by any country in the world. We have the wool, the sheep, the skins, and coal, and we should utilise these products locally by a judicious application of the tariff. If we could afford to have Free-trade pure and simple it would be a different thing.

344. Have you formed any idea as to what would be a sufficient duty to effect what you desire?—I think if you were to put on a duty of 50 per cent. those who import their high-class boots and shoes and clothing would be prohibited from getting them from England. If 50 per cent. would not do it I would make it more.

345. *Mr. Tanner.*] Are you satisfied personally that the workmanship and quality of the colonially-made article is equal to that of the imported?—No; in point of finish and workmanship neither in boots nor clothing. In point of durability our boots and clothes are superior to and cheaper than the English ones, but they are not equal in point of finish to the English make. If, however, a demand were created for highly-finished clothes and boots no doubt the quality of the colonial work would keep pace with the requirements.

346. Do you think the public of the colony are fairly alive to the advantages and policy of purchasing colonial-made clothing?—I think not. I think the great mass of the public simply look at the question of how it affects them individually. I give myself as an instance.

347. Do you think the general fear on the part of the public that a prohibitory duty on the imported article would result in the cost of the colonial article being increased is well founded?—I do not think so. I think the competition which at present exists between the local woollen mills and the local tailors is sufficient to keep down the cost to the consumer. I do not propose to increase the cost to the consumer, but if we can improve the position of our local industries I think it would be good for all of us.

348. *Mr. Stevens.*] Supposing the duty on imported machinery were increased, do you think it would be possible for the colonial engineers to make the machinery at present imported, and thus give extra work to the people engaged in the industry?—I should hesitate before I should encourage putting a duty on machinery—it is a totally different thing. In woollens we have natural advantages and the raw material, but with machinery to make it to advantage you must make it on a very large scale, and it is almost impossible for us in New Zealand to manufacture the very highest class of engines, and to compete with the highest class manufactured in England. I think we should cut our own throats if we discouraged the importation of the very best class of machinery by putting a prohibitive duty upon it.

349. *Mr. Hutchison.*] Did you refer to the high-class tweeds in your previous suggestion?—I referred more particularly to the high class rather than the slops.

350. But the slops are cheaper, and the masses of the people buy them?—I am not quite prepared to admit that the imported slops are cheaper than the colonial slops.

Mr. Mackenzie: They are not cheaper.

Mr. Hutchison: Because they do not wear half as long?

Mr. Stead: You might buy an imported slop for £1, and a colonial slop for £1 10s., but the colonial is really a cheaper article than the imported one at £1.

351. *Mr. Hutchison.*] Therefore the duty upon these cheap slops would be very hard upon the masses of the people?—It might be considered hard if you had a family of boys, and you did not know what was good for them. If you exercised your judgment you would find the colonial slops more durable than the imported, and therefore cheaper in the long run.

352. Is it not the fact that the dearness of the high-class goods you buy in London arises from the tailors' charges, and not from the charge for the cloth?—No doubt, in paying a high price we have to help the tailor pay his London charges and high London rents; and I think we might as well have the money spent in the colony as in London. I was quite frank; I might have left out individual actions, but I only gave my own case as an instance of men who would import their clothes.

353. *The Chairman.*] I should be glad of your opinion as to the advisability or otherwise of having import duties upon grain, onions, potatoes, and other farm produce likely to be imported here?—I think there is no necessity for it. In the first place, I think we should do our utmost to keep down the price of food to the masses of the country, and therefore I should be against putting any duty on potatoes or onions, wheat or flour, or similar articles. It would be only once in seven years, probably, that it would have any effect or application. The production in New Zealand of all these food-stuffs is so plentiful that it might be only once in seven years that, from some unforeseen circumstance, there would be any need to import these things. At the present moment the West Coast is importing flour from Victoria, where for the first time, I believe, in the history of these colonies flour is cheaper than it is in New Zealand. The freight from Victoria to the West Coast is cheaper than the freight from Lyttelton, Oamaru, or Timaru, and, as the quality is rather better than that of our flour, the West Coast people are able to import flour to pay duty in preference to using flour produced by the local mills. My opinion is that, although it may suit two or three thousand people on the West Coast to import Victorian flour, it does not interest the community of New Zealand as a whole, and it is not worth while laying this tax on the whole colony for the sake of prohibiting a few miners from buying in the cheapest market.

354. *Mr. Tanner.*] It is only a passing incident?—Yes. I think the West Coast is the only portion of the colony to import flour to any extent at the present time.

355. *The Chairman.*] Is it true that the Victorian millers are offering to deliver flour in Lyttelton at 15s. per ton less than it can be purchased from the local mills?—I should say it was not true. I am not personally interested in flour, and I give my opinion for what it is worth; but I feel sure it is not true that the Victorian millers can supply flour in Lyttelton duty-paid at 15s. per ton less than the Canterbury millers are selling at.

356. There were representations made to that effect the other day?—The price I have seen quoted for very best Melbourne flour is £5 15s. per ton f.o.b., and you can buy Canterbury flour, the very best brands of roller flour, at £7, less 5 per cent.—that is, £6 13s. If you add duty, freight, and charges to Victorian flour it would exceed the cost of ours.

357. *Mr. Mackenzie.*] Do you not think it would be best for the factories here to introduce an admixture of cotton into their cheaper tweeds, in order to enable them to stand the wear that is put upon the low-price tweeds?—I have no knowledge of the manufacture of woollen and cotton. I wear pyjamas made of flannelette, and I was under the innocent delusion that flannelette was made of wool, but I have recently found out that it is made almost entirely of cotton. It may be that there are some articles imported, called low-price tweed, that are cotton goods entirely; and, if you hold that the cotton goods are better wearing than the low-price woollen ones, that is another question; but I think it is pretty generally admitted that woollen goods are warmer, more healthy, and more durable than the cotton goods, and therefore better. I think the low-price colonial tweeds are better than the low-price English tweeds, and wear the best.

358. *Mr. Tanner.*] Do you consider the tariff charges made in Australia recently have had an injurious effect on the export trade of this colony?—Unquestionably they have. During the last three years New South Wales has almost entirely shut out the export trade from New Zealand. Up to 1891 New South Wales was our largest market; at the end of 1891 they imposed a protective tariff, and have shut us out.

359. Do you know if the Victorian tariff charges were intended to have that effect?—They were intended to encourage their own farmers by shutting out others. When Melbourne was a free port, twenty years ago, we used to ship from 1,000,000 to 1,500,000 bushels of oats to Victoria every year. Victoria was the first to put on a prohibitive tariff, then South Australia, and New South Wales was the last. Undoubtedly it was a very disastrous thing for New Zealand farmers.

360. Have the New Zealand mercantile world sought for new markets?—They have sought them, but they have not found them.

361. Have you done anything with Rio?—There is no real market there; the course of trade is so uncertain.

362. Have the mercantile men in the South Island made any attempt to embark in the South Sea Island trade?—That was taken up some years ago, but the whole volume of it is not worth talking about. I have tried over and over again to get a line of steamers subsidised between New Zealand and Queensland, and in 1885 Sir Julius Vogel authorised me to negotiate with the Union Steamship Company to run a line there, but the company were doing so well that they declined to accept the subsidy that was offered. That is the market I think we might have annexed. Queensland had to import 40,000 tons of flour, and we were on the same terms as South Australia and Victoria, but we could not send our flour and dairy produce because we had no regular means of steam-communication.

363. *The Chairman.*] Is there no possibility of doing it now?—I am afraid not, as the trade is now firmly fixed with Victoria, Tasmania, and South Australia, and the freight from Sydney to Queensland has now fallen to a few shillings per ton.

(**15.**) Deputation from CHRISTCHURCH BOOTMAKERS (J. A. FROSTICK, HENRY W. TOOMER, Manufacturers; J. A. KEMP, H. MILLIGAN, representatives of Bootmakers' Union).

364. *The Chairman.*] I think you appear as representatives of the Bootmakers' Association and Association of Employers?

Mr. Frostick: As representatives of the Bootmakers' Union, and of many employers, whose names are appended to a document I have here, and which I will read to the Commission:—

"SIR,—

"We, the undersigned, desire to bring under your notice the present unsatisfactory condition of the boot- and shoe-manufacturing industry of New Zealand, which, we contend, is largely due to the present system of Customs tariff.

"With the continued introduction of labour-saving machinery into the Old Country, and consequent decrease in cost of production, also the fact that it pays manufacturers in England to dispose of their surplus output at ruinously low prices, makes it impossible for the colonial manufacturers to compete under the present *ad valorem* duty, or, in fact, any *ad valorem* duty on the lowest-class goods, of which there are thousands of dozens imported annually into this country.

"With the view of assisting the Commission to the utmost of our ability, the trade in Christchurch arranged for a meeting of manufacturers and representatives of the Bootmakers' Union, and the following are the recommendations unanimously adopted by the meeting called for the purpose of considering the question. The manufacturers present have signed as individuals or firms, and the President of the Bootmakers' Union has signed on behalf of his society. So that the proposals may fairly be said to represent the views of the trade so far as Christchurch is concerned: First, we are strongly opposed to an *ad valorem* tariff under present conditions, because no percentage of increase could be imposed that would permit the local manufacturer to compete with the low-priced goods, and at the same time be a fair tax upon the better class. Second, we do not recommend the introduction of a high fixed duty, as experience in other countries has proved that this system does not permanently benefit either employer or workman.

"We have therefore the honour to submit for your consideration a system which is exceedingly simple in its working, and, although novel to New Zealand, is by no means a new or untried experiment, having been in work in America in certain lines for many years with most satisfactory results (to the Americans).

"The enclosed figures, which are approximately correct in proportion, will illustrate our meaning, and it is really an adaptation of the two systems, and, we submit, could be applied not only to boots and shoes, but other industries which are suffering from the importation of shoddy goods, labour to produce which is employed in England and also on the Continent under conditions scarcely human.

"Boots and shoes to include slippers and all classes and descriptions of footwear, unless otherwise enumerated.

	Ad valorem.	Fixed Duty.
"Men's goods, 6 to 11 ...	15 per cent. ...	2s. 6d. per pair.
Youths' goods, 1 to 5 ...	15 " ...	1s. 6d. "
Women's goods, 2 to 7 ...	15 " ...	1s. 6d. "
Undersizes, 7 to 1 ...	15 " ...	1s. 0d. "
Infants, 4 to 6	15 " ...	0s. 6d. "
Infants, 0 to 3	Free.	
Gum-boots	Free.	

"*Boot-uppers.*

	Ad valorem.	Fixed Duty.
"Youths' and men's, 1 to 11 ...	15 per cent. ...	1s. 0d. per pair.
Women's and others ...	15 " ...	0s. 9d. "
Leggings	15 " ...	1s. 0d. "
Leather cut into shapes ...	30 "	

"Having dealt with the boot question, we desire to express our opinion that, being large consumers of all kinds of leathers, we are justified in making recommendations respecting same.

"That the present tariff remain on the following leathers: Wallabi, goat-skins or moroccos, calf- cow- or horse-hides dressed, as levant, roans, Persians, cordovan, East India kip, kangaroo, glacé- or glove-kid, calf-kid, mock kid, enamelled or patent leathers or cloth, levant seal, crup or porpoise, ooze, and leather n.o.e., 1d. per pound.

"That the following alterations are advisable: Cow- or ox-hide dressed as kip, 6d. per pound; cow- or ox-hide dressed as buff or split, 3d. per pound; sole-leather, 3d. per pound; basils, 3s. per dozen; rough-tanned hide, free.

"We have, &c.,

"(For the Federated Bootmakers' Union),

"JOHN ALBERT KEMP, President.

"Signatures of boot-manufacturers—

"M. O'Brien.	Taylor and Thomson.
Henry W. Toomer.	H. Rayner and Sons.
Skelton, Frostick, and Co.	Maine Brothers.
Sydney Smith.	Lake and Co.

"The Chairman, Tariff Commission, Christchurch."

"Table showing Effect of Proposed Alterations on the Present Tariff.

Invoice.	Women's.			On Present Duty.	Men's.			On Present Duty.
	Fixed.	Fixed and 15 per Cent. *ad valorem*.	Advance on Present Duty.		Fixed.	Fixed and 15 per Cent. *ad valorem*.	Advance on Present Duty.	
s. d.	s. d.	s. d.	s. d.	Per Cent.	s. d.	s. d.	s. d.	PerCent.
2 0	1 6	3 9½	1 4¾	70	...	...	...	...
3 0	1 6	4 11½	1 4¼	45	...	...	...	...
4 0	1 6	6 1¼	1 3¾	35	2 6	7 1¼	2 3¾	55
5 0	1 6	7 3	1 3	25	2 6	8 3	2 3	45
6 0	1 6	8 4¾	1 2¼	20	2 6	9 4¾	2 2¼	37½
7 0	1 6	9 6½	1 1¾	17	2 6	10 6½	2 1¾	30
8 0	1 6	10 8½	1 1¼	13½	2 6	11 8½	2 1¼	26
9 0	1 6	11 10¼	1 0¾	12	2 6	12 10¼	2 0¾	22½
10 0	1 6	13 9	1 0	10	2 6	14 0	2 0	20
11 0	1 6	14 1¼	0 11¼	7½	2 6	15 1¾	1 11¼	17½
12 0	1 6	15 3½	0 10¾	7	2 6	16 3½	1 10¾	16
13 0	1 6	16 5½	0 10¼	6¼	2 6	17 5½	1 10¼	14
14 0	1 6	17 7¼	0 9¾	5½	2 6	18 7¼	1 9¾	12½
15 0	1 6	18 9	0 9	5	2 6	19 9	1 9	11
16 0	1 6	19 10¾	0 8¼	4	2 6	20 10¾	1 8¼	10
17 0	1 6	21 0½	0 7¾	3½	2 6	22 0½	1 7¾	9½
18 0	...	...	...	...	2 6	23 2½	1 7	9
19 0	...	...	...	...	2 6	24 4¼	1 6¾	8½
20 0	...	...	...	...	2 6	25 6	1 6	7½

365. *The Chairman.*] How many men are there in the union?

Mr. Frostick: The Bootmakers' Union comprises 250 men.

366. *The Chairman.*] Practically this document represents the views of the whole of the operative and manufacturing class in Christchurch?

Mr. Frostick: Yes; this document is objected to by none, although all have not signed. We are a joint deputation, representing the manufacturers on the one hand, and the bootmakers are represented by two members (Messrs. Kemp and Milligan) of the Bootmakers' Union. The Bootmakers' Union as a body is not committed to any expression of opinion with reference to leathers, excepting what exactly appears in the document I have put in. I shall simply represent myself and other manufacturers on that point.

367. *The Chairman.*] Are you going to make any other proposals?

Mr. Frostick: No. I desire to point out the effect of the present duty. In going through the trade for the past few years, we find that the prediction of Sir Julius Vogel has been fulfilled to the very letter. He objected to the *ad valorem* tariff because, he said, the importation of boots and shoes would gradually decrease in value on the average, and the market would be flooded with a lot of shoddy material; and that, unfortunately, has been the experience of the boot trade. In 1887, which was the last year of the old tariff, the average price of boots and shoes was 5s. 1d. a pair; in 1888 the average value of the dutiable goods was 5s. 3d. per pair; in 1889 the average value of dutiable goods was 4s. 9¾d.; in 1890, 4s. 4d.; 1891, 4s.; 1892, 3s. 11d.; 1893, 3s. 10¾d.; and, judging from what we know of the trade of 1894, we shall be very much surprised if 1894 is not lower still. Our greatest trouble is in dealing with this very low-priced stuff. We cannot expect to make it here under the present conditions; and it is becoming the rule in old countries, with many manufacturers, to sell their goods in their off-seasons at little less than cost, in order to keep their hands together. Some one gets the benefit of that, but, of course, the bootmakers suffer proportionately. At a meeting held in Wellington two years ago, representing the manufacturers of Christchurch, Wellington, and Dunedin, the principle of the scheme I have now submitted was thoroughly indorsed by all present. We do not desire a prohibitive tariff altogether, but a reasonable one that will enable us to make the boots required by the people, and if the Commission can see its way to pay us a visit we shall be able to show that we are not making promises only. We are called upon to fill up sizes in a great many English lines imported; and we contend, if the system we propose, or something very near to it, is adopted it will enable us to make certainly seventy thousand pounds' worth of goods over the total we are making to-day. The value of English goods imported is £134,000, and we should be able to shut out £70,000 of that in a very short time. Neither manufacturers nor men hitherto have been employed anything like full time.

368. *The Chairman.*] Supposing your anticipations were realised, and you obtained the command of over 50 per cent. of the trade which now goes away to England, how many more men would be employed?—All those now in the trade would be certainly employed full time.

Mr. Milligan: As representing the workmen, I may say that it has been our lot to send twenty men out of the colony within the last three months at our own expense, because we could not find work for them here, and the remainder have not been working full time for the last six months. We could send another fifty men away, but they cannot leave their friends.

369. *Mr. Hutchison.*] Whither do you send them?—To Australia.

370. *The Chairman.*] Would a duty of 2s. 6d. a pair added to the 15 per cent. be sufficient to prevent those persons who send Home for their better-class articles from doing so?

Mr. Frostick : I think it would be a prohibitive duty for all practical purposes.

371. *The Chairman.*] It was given in evidence the other day that the bootmakers had been consulted by the leather-makers in this town on the question of the conservation of their respective trades?—That is true.

372. It does not appear to me that in all respects the recommendations now made agree with the recommendations made by the leather trade; for example, you ask that the tariff should remain on certain leathers—kangaroo amongst others—the duty on kangaroo being now 3d. per pound. Supposing that were reduced to 1d. to meet the request of another industry, say the whip-making industry, would it seriously affect the bootmaking industry?—We should rather hold with that suggestion, being accustomed to manufacture those goods, but certain goods we do not wish to interfere with.

373. Is there such a consumption of these finer leathers that an increase upon them would seriously affect the bootmaking industry?—It certainly would; but the industry referred to (whip-making) is a small one, and the whipmakers contend that the raw material should come in free: it is perhaps the only trade where the argument applies with such force.

374. *Mr. Tanner.*] Does not the same apply to tailors equally?—I am not concerned with them. With regard to leather, I have here samples of leathers taken from our own factory. [Samples produced.] I may say that with each particular class of skins successful dressing is peculiar to certain districts. For the last fifty years, up to about two years ago, France had the absolute monopoly for the production of glacé kids; but the Americans are now competing, and they have produced something very near to the French article. This large piece [produced] is of American dressing, and the small piece [produced] French. There is a difference in the two, although they may appear to the Commission the same article. There are no goatskins, in my opinion, to equal the Yorkshire dressed goatskins in one particular class; yet the Yorkshire people cannot produce a skin like the French or German. [Samples produced.] There is a demand from the public for a class of boot for which the English skin is not suitable, and therefore the English manufacturers have to buy from the Continent. The same applies to calf-kid, which is made in England very successfully; but we cannot touch the Germans in that line, and when I point out that perhaps two-thirds of the cost of the manufactured boot is in the material you will see how very anxious we are to see that the industry is not handicapped by the imposition of increased duties upon articles that cannot be made successfully here. Unfortunately the tanners and curriers have not been able to supply our requirements. With regard to roans, we use a great many. This one [produced] is a skin tanned and finished in Dunedin, and the cost is 1s. 4½d. The French skin costs 2s. 4d. in England, but we cannot use the local article for the same purposes as we use the French. If we could do so we should. The difference can only be judged by comparison, and the manufacturers who are using these skins every day are entitled to an opinion as much as anybody. I have also two samples of persians [produced]—one an English-dressed persian sheepskin and the other a colonial sheepskin dressed in New Zealand. They profess to be the same trade article, but the colonial skin cracks very badly when stitched, and will not stand the strain. The leathers produced are samples of French goods that we cannot do without.

375. *The Chairman.*] We have had a deputation in Christchurch from the leather trade. Supposing the duty on buff, kangaroo, and light cowhide, &c., were raised to 6d. per pound, would that seriously affect the boot industry?—Most certainly it would. We should still have to obtain all the leathers I have mentioned.

376. It has been contended that a kip can be produced in the colony equal to the East India kip imported?—I am here to give a most emphatic denial to that. I have witnesses here from the labour side who are leather experts, and they will be able to give their opinion. I submit that the tanners here could not possibly compete with the imported English-dressed article without charging the general public an enormous price for the leather, because we do not produce the quality of skin. These kips come from Bombay or Calcutta to England in large quantities, and the greater portion of them are not suitable for our requirements. They are sorted by the English tanner into classes according to their quality and condition. Some are used only for sole purposes, others are dressed in England for the Irish trade, or the West of England trade (a similar trade); others are dressed for the South American trade (a very light trade). The English trade is a medium-weight trade, the same as the colonial; and then what they are unable to sell dressed are disposed of in the rough.

377. You say that an article similar to that which is called East India kip cannot be produced in the colony at the same price?—Certainly not, in the suitable selection, within 35 per cent., owing to the difficulties I have mentioned.

378. It is asserted that the imported American split is mainly surplus stock, and is not equal to the colonially-made article?—So far as our firm is concerned, we have not used an ounce of imported split for three or four years; we use the colonial split. The Commission will probably ask why we recommend a duty of 6d. per pound on kip and only 3d. per pound on split, whereas both come from one hide. The reason is that the consumption of colonial split is probably 95 per cent. of the total consumption. We have not imported American split for years, and the reason we suggest the lighter duty on split is that the demand for split, owing to the diminished purchasing-power of the people, is greater than the demand for kip, because split produces the cheaper article.

379. If the duty on roans, moroccos, persians, and dressed sheep and goatskins were raised to 25 per cent., would it affect you seriously?—We should still have to use the imported article, and the tanners and curriers would not make any more than they are doing now. Regarding East India kip, the colonial article will not under any circumstances produce the same boot. East India kip resists the water more than colonial kip, and it is a harder wearing leather than French calf. That is due to the difference in the preparation and the difference in the animal.

380. *Mr. Tanner.*] Has not this question of the boot tariff been the subject of petition from both manufacturers and workmen in Canterbury to the House of Representatives of late years?—Not that I remember.

381. You were not aware that one was being drafted, or that it was sent?—I have submitted opinions, but not as a member of a combination.

382. Have you ever submitted written proposals?—Prior to 1887 I believe I did.

383. Since 1893?—There was a letter sent, but I forget particulars.

384. Was it not in the nature of a petition or communication to a public department?—It was addressed to the Chairman of the Industries Committee. I cannot say definitely the year.

385. You have no knowledge of the recommendations which may have been made by the trade?—So far as I know, this is the first time.

386. Have you any idea of the amount of rough-tanned hides imported?—We suggest they should come in free.

387. In what form do they ultimately reach the consumers?—I do not know that there are many admitted beyond a few kangaroos.

388. The tanners assure us that a very large quantity of rough-tanned hides, paying 1d. per pound, reach the colony?—Not in Canterbury.

389. What classes of leather would be comprehended under the item in the Customs returns of 412,000lb. imported leather?—Sole leather, levant, calf-kid, kip, mock kids; French calfs are an enormous item.

390. Would that account for a large proportion of the 412,000lb.?—Yes.

391. Is the importation of sole leather at all large?—Yes; but not for manufacturing purposes in a wholesale way. They come to the bespoke-makers.

392. Would you consider the amount of East India kip classed amongst that 412,000lb. to be at all large?—I have no means of knowing what others are doing. Our importation of East India kip is probably 250 dozen per year; each dozen averages about 38lb.

393. Do you consider other manufacturers import proportionately?—I do not think the above would be a fair basis upon which to work out a calculation, because some firms do not cut East India kip at all.

394. You assign no reason for not having used American split?—Because I like the colonial better; it is a better article. The split we are using to-day is far superior to the American split.

395. We were informed in Wellington that no attempts have been made in the colony to make roans, sheep- and goat-skin, dressed goods, and so on?—Attempts have been made by the dozen.

396. Is it not a fact that fourteen years ago bronzed leathers were made in this neighbourhood?—I am only speaking of ten years ago. There were none then except, perhaps, a few skins for exhibition purposes.

397. Can you remember as far back as fourteen years ago?—I cannot; but I can certainly speak as to ten years ago.

398. Do you know whether any large quantity of the leather known as levant (bellies) is imported?—Not a large number imported.

399. Is that any reason why that should be placed on a cheap footing?—It is not; the duty is 3d. per pound.

400. That duty has been held by witnesses here to be purely a nominal rate?—It is quite out of proportion to the rate on kip. I should think the amount imported of that class of leather (levant) is very small.

401. Is cordovan imported?—Not to any great extent.

Mr. Toomer: The largest importer here would not use six horse-hides a year.

402. *Mr. Mackenzie.*] The effect of the tariff you propose, I take it, on the low-price boots would not be to increase the price of them?—I think it would be the other way. People would not wear the low-price article, because it would become very dear.

403. The low-price boots are used by the poor people?—Yes, and they are the dearest boots in the market to-day.

404. Take this woman's boot at 5s.—and a woman's boot invoiced at Home at 5s. is not a common boot—will the duty proposed be equal to 50 per cent. above the present duty?—It is an increase of 25 per cent. on the present duty.

405. It is an advance on a boot in ordinary use amongst the poorer women?—If we had that tariff on we should be able, by competition amongst ourselves, to insure the public having a boot at a fair price, and we should be able to make a reliable article at a cheaper price than it can be sold for now, imported.

406. Would that price be less than the price of the English boot would be?—How much less would depend.

407. Would it be very much less than the boot would cost with this 50 per cent. duty on?—Yes.

408. You advocate 30 per cent. *ad valorem* on all leathers cut into shapes? That is to secure the cutting in the colony?—Yes.

409. You say that the internal competition amongst manufacturers would secure to the wearers boots at a less price than that at which the imported article could be landed?—I say that the internal competition would secure to the public a shilling's worth for every 1s. they spent.

410. Precisely the same contention is advanced by the curriers, who state that internal competition would enable them, if a protective tariff were put on outside leathers, to supply the goods here to the manufacturers at a price at any rate not exceeding that now charged. Your contention is the reverse to that, is it not?—Our contention is that, whereas the boot-manufacturers are able to show what they are doing and can do in regard to their goods, we have to rely upon the promises of the curriers as to what they would do provided something happens. We are able to prove that

we can turn out these boots at a reasonable price, and the curriers say, "If you give us this extra duty, we shall try." We are afraid they will fail.

411. You think, if you get protection on these boots, you will be able to make boots just as good as those sent out from the Home-country?—We are making them now.

412. You think that your part of the work is quite equal to the Home-work, and that the curriers is not equal to yours?—Just so.

Mr. Toomer: The raw material is not here for them to operate on.

413. *Mr. McGowan:* You want, roughly, a general increase upon all the duties at present charged?

Mr. Frostick: Yes.

414. *Mr. McGowan.*] Are there any kinds of footwear that you can make now and compete successfully with the imported article?—According to the most accurate estimate—the Customs—we import about one hundred and thirty thousand pounds' worth of boots and shoes per annum; whereas I estimate that the value of the colonial-made article is nearly £400,000 per annum.

415. Can you manufacture boots successfully at a profit to absolutely compete with the imported article?—Yes; we make three times the quantity of the imported article.

416. And now, in the face of that, you ask for an increased duty upon those very articles?—Yes, principally on certain classes.

417. Is the amount of leather that you would use in the manufacture locally of the articles that are now imported sufficient to compensate for the increased cost that must necessarily be paid by the public to have them produced here?—I think so. The cost of the articles we are making now will certainly not be increased by the imposition of this fresh duty. The great bulk of the boots we would shut out would be slippers, and the very cheap class of boots made by Polish Jews in London or on the Continent.

418. *Mr. Stevens.*] If the duty you asked were imposed, would it increase generally the cost to the consumer throughout the colony?—I think not. It would certainly not increase the cost of anything except this very undesirable class of footwear we are getting now.

419. And the boots used by the poor would be dearer?—Not if the cost of the raw material is not raised.

420. With respect to East India kip, if the raw hide were imported here direct from India, could the New Zealand tanners prepare it equal to that prepared by the English tanner?—No; that is my opinion for the reasons that nearly all the successful tanners and curriers in England have their works either in Yorkshire or Bristol, and that there are so many "selections" available in every parcel of raw hides; whereas only one or two "selections" are required to meet the demands of the trade in the colony. Out of 200 dozen we use every year, 180 dozen are all one weight per dozen—they average from 38lb. to 40lb.

421. Would it not be possible to have a reliable agent in India who would select the classes required?—The English market, which is by far the largest purchaser, would object to that, and would not take what we refuse.

422. The volume of trade in New Zealand is not sufficient to induce any of these large tanners to establish a branch here to prepare similar lines to what they make at Home?—No.

Mr. Toomer: They do not seem to prepare the hides the same in the colony as they do at Home. The colonial hide is rougher than the English hide. They cannot extract the salt out of the hide here.

423. *Mr. Hutchison.*] What is the English article, invoiced at 5s., sold for here?

Mr. Frostick: It depends on circumstances.

Mr. Toomer: About 25 per cent. advance. If it is a line everybody has got, the public get the advantage of the cost-price.

424. *Mr. Hutchison.*] If this East India kip were imported raw, are you quite sure it could not be manufactured here?

Mr. Frostick: I am positive of that—not equal in quality, at anything approaching market-price.

425. When a tanner says he can do it, whose evidence is to be considered most reliable?—That of the buyer, who has to use it, and suffer any loss incurred in cutting it up.

426. You say you cannot possibly use the leather you get from the local tanners, and must import it from England to suit customers?—That is, of the classes I have mentioned.

427. Supposing you could not get it in England, would you be able to carry on your trade?—We collect from other countries the leathers we cannot produce here.

428. Does not this cheap class of boots suit a particular class of people?—I do not think the public are to blame. I think the retail trade is to blame for the introduction of this cheap stuff. We want the public to have a shilling's worth for every 1s. they spend; but they do not get it in these goods.

429. But in doing that you do not mind the tanners and curriers of the colony?—We are taking to-day, so far as I know, every ounce of split the colony can produce.

Mr. Milligan: Mr. Frostick has plainly stated the case from the manufacturers' point of view; and I may say, speaking for the workmen, as regards the boot trade, it is the unanimous wish of the workmen that the tariff should be amended as proposed. We contend we are only asking for what is fair and square, and nothing more. Regarding the increase in the higher-class articles, we say that people who will go outside their own colony to buy boots while their own workmen are walking about should be touched through their pockets, and that is the only way to bring them to their senses. The same remarks apply to those people who purchase shoddy. At present we cannot make a living-wage. The work is piecework; and, while you might say the men have got a job, yet they have not got work; they are only partly employed. Within the last three months the union has paid the expenses of twenty men who have been sent away from the colony, for the reason they can get no work; this is from Christchurch only; and the others that are left are not fully em-

ployed. We contend that the boots at present imported should be made in the colony by our own workmen, and not imported from countries where twelve and fourteen hours a day are the hours of labour. Both workmen and employers have unanimously agreed to recommend the proposals now before the Commission.

430. *The Chairman.*] What are the average wages made by the tradesmen when in full work? —When in full work, 1s. an hour.

Mr. Toomer: The great handicap the colonial manufacturer has to contend with is the labour-saving machinery at Home. We cannot import the machinery used in the factories at Home because we could not employ it half an hour a week on account of the lack of trade. Both Mr. Frostick and myself have very expensive machinery. Two machines cost £350; but I do not work them one hour a day.

Mr. Frostick: I have in attendance two workmen, experts in the leather-cutting trade, and they can give the Commission information as to the quality of, and difference between, the leather imported and the similar article made in the colony. Their names are Messrs. Darlow and Lilleyman.

Mr. Darlow: I have had twenty years' experience in clicking in the colony, and I have not seen any colonial-made kip that would favourably compare with the imported East India kip I have been cutting up. I have also cut English and American buff and colonial, and I do not think the colonial comes up to the imported article. The colonial does not seem to keep the oil; it loses substance.

431. *Mr. Hutchison.*] Is there any reason why it should not be prepared in the colony equal to the imported?—I cannot tell you that. In regard to split, my experience is that the colonial split is much superior to the imported article. There are firms, however, that use the imported article.

432. *Mr. Tanner.*] A witness the other day stated a market could not be obtained for the split manufactured in New Zealand, and therefore it was exported very largely in the rough, while Mr. Frostick states that his firm uses almost entirely colonial split. Would it be a fair explanation of the discrepancy on this point to say that the colonial curriers can produce much more split than they can find a market for in the colony.

Mr. Darlow: I do not think so. We always had a hard job to get colonial split, and it could not always be procured when required.

Mr. Toomer: My firm have not used any imported split for five years. We would use more if we could get it. Hirst and Co. cannot turn out half sufficient to meet the demand.

433. *Mr. Stevens.*] Is it because they cannot procure the right kind of hide?

Mr. Toomer: No; they have an almost unlimited supply of the right kind of hide here.

434. *The Chairman.*] Evidence was given in Wellington that many skins are damaged by wire fencing and branding, and that the tanners and curriers are at a great disadvantage in that respect as compared with the skins imported.

Mr. Frostick: It is perfectly true that a large number of hides are badly damaged.

Mr. Toomer: It would not affect the splits.

435. *Mr. Tanner.*] Would not bad fleshing or skinning damage the split?

Mr. Toomer: Yes.

Mr. Lilleyman: I have had sixteen years' experience in the colony and twelve at Home, and I have not seen any leather here to equal the leather turned out in England. I make an exception in favour of the colonial split, but I have not seen any split at Home. I have never seen in the colony any leather approaching the English light roans. The colonial kip from Auckland is very good kip. The colony cannot produce light finished leathers.

Mr. Kemp: I wish to corroborate what Mr. Milligan has said regarding the views of the workmen. I have had fourteen years' experience in one of the largest factories in England, and eleven years' experience in the colony. The shoddy is made purely and simply from compo, with a shell of leather to cover it to make it look like leather. The cheap boots we make here are made from leather; and by imposing a duty on those people who buy shoddy here it will not be robbing them nor making them pay any more, as they will get better value for their money. They may have to pay 6d. per pair more, but the colonial boot is 1s. better in the wearing. As regards the workmen, they have been out of work, and the trade is in great distress now.

436. *The Chairman.*] Take the case of the five-shilling pair of woman's boots, English make: would that be made of leather or shoddy?—Of both.

437. You could not afford to put good leather into boots sold at 5s.?—No.

438. Have you any objection to your names appearing in connection with this deputation?

Messrs. Frostick and Kemp: No.

(16.) William Fisher Waller examined.

439. *The Chairman.*] What are you?—A bicycle-manufacturer, Manchester Street, Christchurch. I ask for an increased duty on the finished imported bicycle. I have been in business here seven months, and have had no Home experience. I make six or seven bicycles a week, and employ thirty hands; they put in full time. Half are men, and half boys. There are eight establishments in Christchurch, employing 120 hands, and turning out thirty to forty machines a week. Wages average 7s. 6d. to 10s. a day. The boys begin at 5s. a week, and work upwards to full wages. There are about twenty-seven establishments in the colony.

440. Is there a large importation of bicycles?—Five thousand pounds' worth were imported last year, and it is increasing in cheap second-class machines.

441. To what amount do you ask that the duty should be increased?—From 20 to 35 per cent. Tyres have hitherto been imported free, but a few months ago a duty of 20 per cent. was levied on them. The tyres cannot be made here, being patented, and to make them also requires

an expensive plant. We want the tyres admitted free if separate from the machine, but if attached to the finished machine, then made dutiable.

442. What is the Home price of a bicycle?—We could land one here duty-paid for £15 or £16. Tyres are probably worth £1 10s. to £2 10s.

443. What is the price of a good English machine in the colony?—A first-rate one would sell here at £30 to £33.

444. What would be the price of a similar machine of colonial manufacture?—The best machine here is £23 10s.: it is an exact copy of the English machine.

445. Then, where is the necessity for the increased duty?—On the cheap machines, against which we cannot compete. I also wish to draw attention to the question of "cooked" invoices, under which machines are invoiced much below their proper price, thus evading Customs duty.

Mr. Glasgow: The department's attention has been drawn to that, and price-lists have been issued, and officers told to assess imported machines at the values shown there, rather than accept invoices at the lower prices.

446. *Mr. Tanner.*] Can you give definite information that this is done in the colony?—I cannot state cases, because I am not sure of them, but I am certain in my own mind that it has occurred both in Christchurch and at northern ports as well.

447. *Mr. Hutchison.*] Do you want the raw material imported free?—Yes; and the other existing duties could stand.

448. *The Chairman.*] Would it be better to fix the duty at per machine?—Say, upon a fair average of each machine.

449. *Mr. Tanner.*] Are these cheap machines of German make?—There is a line in particular, which is a German machine shipped to England, and the price here is low enough to leave a doubt about it.

450. *Mr. Mackenzie.*] Do you think the colonial-made machine is good enough for hill-work?—Quite.

451. Have not the manufacturers established a considerable business now without protection?—Yes; but the trouble is that the ironmongers and small traders are importing cheap lines.

452. Can you make a machine here as good as a first-class English one of £33?—Yes.

453. *Mr. Hutchison.*—Is bicycle-making a trade in itself?—Yes.

453A. If a lad learns it, will he be likely to get work when he is a journeyman?—Yes. We only import the tubing and spokes, and make the rest ourselves. We do as much towards making a bicycle throughout as any factory in England.

454. *Mr. Tanner.*] Would you be satisfied with a duty of 10 or 15 per cent. additional on the low-grade machines, and let the present duty remain on the higher machines?—No. I ask that the extra duty should apply to all classes of imported machines, either good or bad.

(17.) G. C. Price examined.

455. *The Chairman.*] Upon what subject do you interview the Commission?—I have been in Christchurch twenty-six years, in the building trade, and have now started manufacturing gum. I sell it as fast as I can make it, but I have a great difficulty in competing with the imported article, and an increased duty would help me greatly.

456. What duty would be necessary?—I could do with another 10 per cent., making 25 per cent., the present duty being 15 per cent. A stationer told me I was offering it at less than it could be imported from America. I supply the Canterbury College, Library, Supreme Court, and leading merchants and offices. The gum is made from potato-starch, and I manufacture starch also. I would like to see a duty on dextrine and glucose, which are made from potato-starch. I could make both these articles if there were a duty on the imported article; a similar duty to that on potato-starch (2d. per pound) would do. I also ask for a duty of 15 per cent. on gummed paper labels, which are free, and on gum arabic 25 per cent.

457. *Mr. Hutchison.*] Does gum come from America or England?—From both; but more from London than from America.

DUNEDIN.

Thursday, 21st February, 1895.

(1.) William Gregg examined.

1. *The Chairman.*] You are in business as a coffee-manufacturer in Dunedin, I believe?—Yes.

2. How many years have you been connected with the industry?—Since 1862—about thirty-three years.

3. Have you been in Dunedin the whole of the time?—Yes.

4. And in this particular business?—Yes.

5. We presume that you wish to interview us in connection with the tariff as applied to your industry?—Yes, portions of it. I have jotted down the items. First of all, there is coffee-essence.

6. We have had evidence on this subject in Christchurch. What is your view in regard to it?—Well, I find that the present duty on coffee-essence is 15 per cent.

7. Do you ask that it should be increased?—Yes.

8. To what amount?—As a fair thing, I should say not less than double that—namely, 30 per cent.

9. And what are your reasons for the increase which you propose?—The reasons are that we have no bottle manufactory in this country. We have to import bottles, and have to pay a duty of 3d. per pound on the raw material.

10. I do not quite follow you. You say you have to import bottles?—Yes; those have to import them who want to put up coffee-essence.

11. Have you been manufacturing coffee-essence?—I have been manufacturing it, but not to advantage.

12. You come here as a coffee-manufacturer, and we understand that you ask for an increase to 30 per cent. with a view of preparing coffee-essence?—That is so.

13. And you say you propose to go into the manufacture of coffee-essence?—Yes; we are doing it on a moderate scale now, but find it does not pay.

14. Then, you have to import the bottles?—Yes; and we have to pay a duty on the raw coffee of 3d. a pound, whereas this coffee-essence comes in from England at 15 per cent.

15. You say, therefore, that you cannot compete with the English manufacture at that rate of duty?—That is so, sir. In fact, the large importation of this essence of coffee which is now going on all over New Zealand interferes very considerably with the coffee trade.

16. How long has that been going on?—Well, prominently during the last five years. Previous to that we did not feel it much.

17. That is to say, coffee-essence has come very largely into consumption during the last five years as compared with the previous consumption?—That is so. I have now given just an outline of what we want, and shall answer any questions that may be put to me.

18. We have had evidence in Christchurch very much corroborating what you say. We were told there that for three or four years immediately preceding the present time coffee-essence has come very much into consumption. Your reason for asking the increased duty is that you propose to prepare in the colony an article which is now in demand, in place of the imported article?—Yes.

19. Well, supposing the duty were increased to the extent you propose, what would be the effect as regards the price of the article to the consumer? Would the coffee-essence prepared by you in Dunedin be purchasable at the same price, or at a lower or a higher price?—My idea is that the consumer would not suffer at all, simply because my intention is to place a coffee-essence in the market equal to Symington's, which is the popular brand and the best.

20. And as to price?—At about equal to other essences imported here, all charges paid.

21. You have used the term "about equal." That, of course, qualifies it?—That would mean from 3d. to 6d. a dozen, perhaps. I would guarantee to manufacture an article equal to Symington's.

22. Am I, therefore, to take out the word "about" and make it "equal" as to price?—Yes.

23. Then, you contemplate that you would prepare an article equal in quality to Symington's, and at no increased price?—Yes, and we could supply the whole of New Zealand with coffee-essence.

24. You think a duty of 30 per cent. would effect the purpose you wish?—Yes.

25. With the purpose, I presume, of practically prohibiting the importation of the foreign article?—With that additional duty we could push our article to consumers, providing it is equal in quality, which I guarantee. I think the difference in duty would enable us to take the lead, instead of Symington's.

26. A witness gave evidence before us to the effect that he did not think any duty less than 50 per cent. would have any prohibitive effect?—I think he asked that simply to encourage the present working of the raw material into manufactured coffee, without going into the essence.

27. To meet the public demand for the article they want, you say you can do that with 15 per cent. additional duty?—That is so.

28. We were told that the price of a pint-bottle of coffee-essence is 1s. 2d.: is that correct?—Yes.

29. And the English cost 11s. 7d. a dozen?—Yes.

30. What proportion of caffeine does your essence contain?—I am experimenting with coffee-essence at the present time containing one and a half of coffee to one of chicory.

31. In the prepared essence what would be the proportion of caffeine? Out of a hundred parts, how many parts would there be of caffeine?—There would be about sixty of coffee to forty of chicory: that would be three-fifths caffeine. I have some coffee-essence ready, and I should like to be permitted to submit to the Commission a bottle of Symington's and one of my own. I think you will come to the conclusion there is not much difference between them.

32. I should like to ask whether or not you think it would be better to impose a fixed rate of duty on the article instead of an *ad valorem* duty—that is to say, at so much per dozen bottles or dozen pints?—I think the *ad valorem* is perhaps the most straightforward course, because, if you fix the duty at so much for so many pints, people may send out a very inferior article, knowing what the exact duty is. I prefer an *ad valorem* duty, because otherwise an inferior article will be sent out at a very low cost. No doubt they would be able to place this inferior article at first, but it would be a failure in the end.

33. Can you give the Commission any information as to what sized bottles essence of coffee is imported in?—In 10oz. bottles. They are called pints. They are not imperial pints; they are reputed imperial pints, and are very close to it.

34. *Mr. Tanner.*] It must be only reputed, then?—Yes. They are invoiced about 7s. per dozen at Home.

35. Do you export any coffee?—No.

36. Do you know what quantity of coffee is exported from the colony?—No. I think there is a protective duty at every port outside New Zealand.

37. You are not aware that an export trade has grown up in coffee, which ran up to 46,000lb. the other year?—I hardly think that is likely as regards manufactured coffee. It might be so far as raw coffee is concerned, but I hardly think so.

38. Would raw coffee be brought here and then re-exported?—Very seldom. It is only when there is a surplus in the market that it is exported to Sydney and other places.

39. Has the re-exportation of occasional parcels of raw coffee in that way led to the growth and development of a trade which has risen from 7,000lb. in 1887 to 46,000lb. in 1893 ?—I cannot tell, unless you include the export from Fiji. There cannot be any such trade arising in New Zealand without my knowledge.

40. You do not believe that such an exportation of roasted coffee exists?—It cannot possibly.

41. Have your importations of raw coffee-berries decreased since the use of this essence of coffee became general?—Yes.

42. Do you think the general consumption of coffee has decreased?—It has decreased. I am quite satisfied of that.

43. Do you think it has decreased largely per head of population during the last few years?—Most decidedly; it has been reduced very considerably. I have kept a note during the last four or five years of my own duties paid on raw coffee, and I find the amount is going gradually down.

44. Is the prepared coffee-essence which you propose to put on the market a liquid coffee?—Yes.

45. You stated it contained 60 per cent. of caffeine and 40 per cent. of chicory?—That is what I propose making.

46. Would it not contain some portion of water?—Yes. You see the quantities I gave you represent the roasted and ground coffee and the roasted and ground chicory in its dry state. Then it has to be manufactured into liquid.

47. What quantity of water would be used to make it soluble?—At first there is a large quantity of water, which is evaporated down.

48. What amount of it in the bottles would be water?—It is all liquid. The coffee itself and the chicory when blended together must be evaporated down to a certain consistency of the two—to the consistency of a syrup.

49. You cannot define, then, the exact proportions of water, sugar, coffee, and chicory in the prepared bottle?—No; that would require chemical analysis.

50. *The Chairman.*] Are you cognisant of a petition being presented to the House of Representatives by Mr. Pinkerton, which bears your signature, in July, 1894? The first paragraph in that petition sets forth the following: "There is imported into New Zealand in bottles an article of commerce known as essence of coffee and chicory, the analysis of which by Mr. Frank M. Allen, of Dunedin, certificated analyst, is as follows: Water, 35·66 per cent.; grape-sugar (glucose), 18·86; cane sugar, 34·80; soluble constituents of coffee, 6·46; ditto of chicory, 4·22: total, 100·00." Do you believe that is a correct analysis?—I should not like to say.

51. You signed that petition, did you not?—Yes, I signed it, but I cannot take the analysis as correct.

52. It would not appear that the proportion of caffeine as given in your evidence would be correct. Is that not so?—I would not think of putting up a manufacture of that sort and put my name to it.

53. It is very singular that your name should be attached to the petition, under the circumstances?—My object in signing that petition was to get an increase of duty.

54. The petition sets out an alleged fact, which you now controvert?—I have tested since that the manufacture, and am prepared to do a certain thing on certain conditions, and to bring before the public a better article than they have now got.

55. The question put was as to the constituent parts of the essence as now imported?—Will you allow me to correct that so as to apply to my own manufacture.

56. You propose to make an essence of coffee that would contain a very much larger proportion (three-fifths) of caffeine?—That is it.

57. Whereas in the imported article the proportion is only one-tenth?—Yes.

58. *Mr. Tanner.*] In the imported article there is water, and there must also be water in the locally-manufactured essence in order to make it soluble. I want to know what amount of water you estimate would be in the article prepared here?—By the time you sit here next I shall be able to give you the component parts.

59. Would the article prepared here contain as much water as the imported article?—About the same. We must make it of a certain consistency. There is a lot of the material lost in the evaporation.

60. *Mr. McGowan.*] You have told us that you prefer an *ad valorem* duty being placed upon this class of goods, instead of so much per quantity or bottle?—Yes.

61. Is that your opinion after giving the matter due consideration?—I have not consulted any one over it. Perhaps I should have consulted my manager, who makes the material.

62. What I want to come at is this: You are aware that at the present time Symington's essence of coffee is the most saleable and the best article of commerce of the kind coming into this country?—Yes.

63. And you are aware that it is admitted under an *ad valorem* duty?—Yes.

64. Suppose that locally you commenced making a similar preparation: would it not be likely to injure your business if the *ad valorem* duty were continued, seeing that the name "Symington's coffee" is a certain coffee, and that essence of a lower quality could not be introduced to seriously compete with your locally-manufactured article?—I purpose producing an article equal to Symington's. The only objection I see to the *ad valorem* duty at the present moment, without giving it much thought, is this: that some of the Home manufacturers may send out an article at 5s. a dozen, or 2s. 6d. less than other men. They know the duty they have to pay, and may put it in lower by making it weaker. I want to go upon merit.

65. Your suggestion of *ad valorem* is against merit?

Mr. Glasgow: Undoubtedly.

66. *The Chairman.*] You would have to contend with the cheaper essences?—Yes.

67. Then, we understand that *ad valorem* would have a tendency to lower the value of the article?—As I have said, some of the Home manufacturers might send out an inferior article.

68. *Mr. McGowan.*] Is there not a difficulty with some of the imported essences at the present time with reference to fermentation?—Yes.

69. And is it not a fact that many of the essences do ferment in bottles?—Yes. The majority of beginners make a mistake of that kind for a few years.

70. Do you think that locally you have been able, or would be able, to prepare an article that would be free from that defect?—We have gone through the process, and have overcome the difficulties as they have arisen. We are now satisfied that we can produce an article equal to Symington's.

71. Symington's is universally known to be the best of that particular article produced?—Yes, and an enormous trade is being done in it all over the colony.

72. *Mr. Hutchison.*] I understand you do not wish to push the coffee trade as against the essence of coffee?—I prefer the dry coffee. But this comes in in such a way that we can hardly oppose it under the present duty.

73. The witness in Christchurch who has been referred to is perfectly clear that the essence is not a good thing in itself, but that it is nevertheless displacing the coffee, and that that is a bad thing for consumers and the country generally. Is that so?—I am quite satisfied of that.

74. But you are going now to work the essence?—What I look forward to is, that if there is a prohibitive duty on Symington's he may send out somebody here to manufacture essence of coffee. I do not want to make it.

75. That may come, as in the case of the match business. Who is this Mr. Allen, the analyst?—I do not know him.

76. I do not know him either, and I should have supposed I should have known an analyst in Dunedin. This analysis in the petition that has already been referred to was made by him?—I had nothing to do with it. It did not go through my hands. With regard to the amount of duty, 30 per cent. may be the means of giving the colonial industry a better show than if it were made 50 per cent., because Symington trades in New Zealand, Australia, and elsewhere, and might send out men to make it.

77. Is it your deliberate opinion that the essence of coffee is not so good as the coffee one gets in one's house?—It cannot be. It has to go though a steaming process, and the aroma of coffee disappears to a great extent.

78. Then, do you think essence of coffee would be useful in the case of persons travelling about?—Yes. Farmers also use it; it is so handy for them.

79. What about chicory? Did you not find the growing of chicory a profitable business?—It is.

80. Are you still growing it?—Yes. We have grown as much as 30 acres of chicory in one year. It is a very delicate crop to grow. It requires a good deal of attention, and in a dry season it is apt to go off.

81. Do you import any chicory?—None. I do not think any is imported.

82. *The Chairman.*] As a matter of fact, supposing people had been in the habit of using the essence of coffee, no amount of argument would induce them, for a long time, to go back to the use of ground coffee?—I do not think so.

83. The portability of the essence makes it an article of demand?—Yes.

84. And, if there were a prohibitive duty, there would still remain a desire on the part of the public to obtain it?—It has got such a hold on the market that such would be the case.

85. That is why you propose an import duty?—Yes; I would say 30 per cent.

86. You think it is not possible to completely shut out from ordinary consumption the use of the essence?—Yes.

87. And that therefore the only choice for the local manufacturer is to provide for local wants; and you ask to be put on an equal footing with the English manufacturer?—Yes.

88. And you think that the increase you ask for would put you on an equal footing with him?—Yes. Then, as to flavouring-essences: I make them—lemon, vanilla, &c. I ask for an increase of duty on these. I do not ask for a very extensive increase, but simply to 30 per cent. My reasons are that we are being inundated from Melbourne with essences manufactured in Melbourne; and they come from America too. English flavouring-essences are not much imported, but American essences do the supply pretty well of New Zealand. America and Victoria pretty well command the market here.

89. Can these essences be made equally well here?—Yes; under the supervision of the Customs.

90. Would the increased duty of 15 per cent. enable you to compete on favourable terms with the importation?—I am prepared to do so.

91. Would the effect of the command of the whole trade be eventually to reduce or increase the price of the article to the consumer—that is to say, would the additional 15 per cent. represent an increase of 15 per cent. in price to the consumer?—No.

92. Why not?—We have to compete now with the imported article from the two places mentioned, at too small a profit to the manufacturer here to induce him to go extensively into it.

93. And you mean that if you had the whole market there would be a much larger output, and that the larger output would enable you to produce it profitably without increasing the price to the consumer?—There would be no increase of price to the consumer.

94. By the increase in the output you would be able to supply consumers at the same price?—Yes; it is the quantity of these articles that has to be considered. We have also to pay a £35 bond-license to make these articles.

95. It would pay you to continue the payment of that bond-license, I suppose, if you had the

duty increased as you propose?—Yes. I pay that license now, and struggle along under the 15 per cent. duty.

96. Your contention, roundly, is that you can supply the whole trade with an equal article at an equally low price, provided you can shut out the competition?—Exactly.

97. *Mr. McGowan.*] Do you consider the essences prepared locally are equal to English essences?—I consider they are better.

98. Can you explain in what way they are better?—We must carry out certain preparations, and work up to a certain standard, under the supervision of the Customs: that is to say, every bottle is properly filled.

99. *Mr. Hutchison.*] I understood there was very little British imported—that it was almost all American and Victorian?—That is so. It is only the standard we have to work up to. I would not like to say what standard they work up to in America and Melbourne.

100. *Mr. Stevens.*] With respect to this bond-license of £35 per annum, would it not be an advantage if an excise duty were charged instead of a fixed sum?—No; I think it would be more cumbrous. I am certain that the license-system is the right way to keep the quality up. We have to notify the Customs when we want to prepare essences, and they send a man down and charge us for his time, in addition to the bond-license of £35 a year. They charge us 12s. a day for his time.

[P.S.—Since giving my evidence, as per above report, I find that one important industry was omitted to be mentioned by me—viz., starch-making, which is made chiefly from rice. This rice has to be imported, and upon which there is an import duty of £2 per ton for manufacturing purposes into starch. In Victoria the manufacturers laboured under the same disadvantage for several years, but ultimately found they could not pay the £2 duty per ton on the raw material and compete against German and other manufacturers shipping their surplus stock to the colonies to be sold for anything it might realise. An appeal was made to the House of Representatives, or the Tariff Commission, to concede the duty of £2 per ton on the raw article, which was granted by the House of Assembly. The starch-manufacturers of Victoria now have not any duty to pay. We humbly ask you to place the manufacturers of starch in this colony in the same position. We are now paying wages, £1,050 per annum, and employing sixteen hands, with the prospect of doubling the number before twelve months are over.—W. G.]

(2.) George Henry Oatway examined.

101. *The Chairman.*] You appear here as the agent of the Buckeye Harvester Company?—Yes.

102. Are you in business in Dunedin?—Yes.

103. What is the domicile of the company?—Akron, Ohio, United States of America.

104. Your company, I presume, is doing business in New Zealand by the importation into this country of harvesters?—Yes.

105. I suppose that you appear before us with a view to point out something in connection with the tariff which is affecting your business?—Yes. I came to speak upon the duty on binder-twine. That is the object of the interview.

106. It goes without saying that binder-twine has to be used in connection with all harvesters. What is the consumption of binder-twine in New Zealand?—About 1,000 tons a year.

107. How much of that is imported, and how much of it is locally made?—There is very little imported. It is nearly all locally made. There are two kinds of binder-twine. There is the single-ply twine, which represents about 90 per cent. of the total consumption, and that is almost entirely locally made from *Phormium tenax*.

108. What is the other kind of binder-twine?—The remaining 10 per cent. would be the imported three-ply twine made of Russian hemp or jute. I ought to say in connection with the 90 per cent. that some small proportion of it is made either of pure manila or of manila mixed with *Phormium tenax*. I do not think the duty of 15 per cent. *ad valorem* yields any revenue on the single-ply twine; but there would be a revenue accruing from the three-ply twine, none of which is made locally.

109. So that, in point of fact, the revenue derivable from the 1,000 tons is, roughly speaking, derived from 100 tons, that 100 tons being the three-ply imported article?—That is so. I dare say that during last season there has been a small revenue derived from single-ply twine imported from Victoria, but that would be very small.

110. Was not that twine first manufactured in New Zealand, then exported to Australia, and brought back again?—Not all. There was a small quantity imported from Victoria, only a part of which was really Victorian-made—only 10 tons at the outside. I should like to point out the fact that there is practically no revenue on the single-ply twine, which costs the farmers some £10,000 a year. Assuming 900 tons to be the annual consumption of this single-ply twine, we could purchase in Victoria for 2¾d. per pound (about £26 per ton), delivered alongside the wharf in Victoria by New Zealand makers.

111. You are now speaking of the price of this single-ply binder-twine, delivered there to Victorians?—Yes. The local price here is 4½d. at present. It was 5d. The price per pound in Victoria is 2¾d. (wholesale).

112. So that, in point of fact, the New Zealand farmer pays 1¾d. more for the locally-made twine here than the Victorian farmer pays for it?—The price in Victoria is 2¾d. to the trade. It is sold to the farmer at 3¾d. That is the net price of the twine in Victoria, as against the retail price here of 4½d.

113. So that the Victorian farmer buys it ¾d. cheaper than it is bought here?—Yes. A Geelong farmer, for example, can get for 3¾d. what the New Zealand farmer has to pay 4½d. for.

And this is for the New-Zealand-made article. We can export the fibre from New Zealand to New York and sell it to the American farmers at 3d. per pound, spun into twine, everything paid, merchants and everybody. It is sent there, spun, and brought out here again. The Sydney people import *Phormium tenax* from New Zealand. It goes from here unspun, and is spun in Sydney, and supplied to the New South Wales farmers at 3¾d. per pound. Sydney is a free port. The figures that I have given represent the difference in price to the farmers in Victoria, New South Wales, and New Zealand. To prove that the twine is sold in Victoria at 2¾d. a pound, I wish to put in some invoices, which I now produce to the Commission, in order to show that what I have stated is correct. [The following invoices were exhibited to the Commission: 1. McLean Brothers and Rigg, of Melbourne, dated 20th October, 1894, showing that New Zealand binder-twine was invoiced at 3d. per pound. 2. Invoice from the same firm, dated 13th November, 1894, showing New Zealand binder-twine invoiced at 3d. per pound, and manila at 3¾d. 3. Invoice from same firm, dated 20th November, 1894, showing New Zealand binder-twine invoiced at 3d. per pound, and mixed manila at 3¾d.]

The Chairman: These invoices bear out your statements?

Witness: They do; and I have also here an invoice of importations into Sydney from Auckland by the Buckeye Harvester Company of 500 bales of New-Zealand-flax binder-twine invoiced at 3¾d., and manila invoiced at 4¾d. and 5½d. So that the price of New-Zealand-flax binder-twine there is here shown to be 3¾d. less 12½ per cent., or 3¼d. as nearly as possible.

114. So that it was put in to Sydney at a fraction over 3¼d., and came back into the colony free of duty as New Zealand produce. What would it cost landed here?—It would cost under 3½d. (3⅜d.) landed here from Sydney, and 3⅛d. from Melbourne, as against what the position is here. The position here is this: that I would have to buy at 4½d., less the discount, 17½ per cent., if I bought 50 tons in a line. Landed here from Sydney I could get it at 3⅜d., and from Melbourne at 3⅛d. So that it is far cheaper to get it in this roundabout way. If I buy here, I have to enter into a bond, with a deposit, binding me not to sell under 4½d. to anybody. I could only give 5 per cent. trade discount to the retailer. The effect of that would be this: The retailer cannot live upon a discount of 5 per cent., and he must therefore advance the price to the farmer and make it 5d. or more per pound. So in that case the farmers of New Zealand have to pay 1¼d. more for the article grown and made in their own country than the Victorian farmers have to pay. I have had a little correspondence with the Hon. Mr. Ward on this matter, in which he made an important admission. He says the maker only received 2$\frac{15}{16}$d. My object is to point out that it is not necessary to retain the duty to enable the manufacture to be carried on. As a matter of fact, under the duty the local factory gets 2$\frac{15}{16}$d. for the manufacture of this article.

115. How does Mr. Ward know more about it than any one else?—I do not know.

116. Is he, as a matter of fact, engaged in the flax industry?—He has a fifth interest in the Invercargill works.

117. In his private capacity he is aware of these matters quite independent of his public capacity, and he says the makers get 2$\frac{15}{16}$d.?—That is what he declares. We can buy New Zealand twine spun from *Phormium tenax* in New York at 2⅝d. per pound, and it can be landed here at 3⅛d., freight and charges paid.

118. You could not do it under that?—Not under; it would be impossible.

119. Could you land a twine spun in New York or anywhere else at less than 2$\frac{15}{16}$d.?—No. There is no other fibre grown that would enable you to do so. Jute is the cheapest fibre, and that could not be landed in the shape of twine at less than 2$\frac{15}{16}$d., or not so low.

120. Then, nothing else can compete with us?—No. The duty is quite unnecessary. The duty is unnecessary, and only handicaps the farmer. I cannot see how it can profit the manufacturer at 2$\frac{15}{16}$d.

121. Then, can you explain to me why twine-manufacturers have petitioned the House in favour of this duty?—I never understood that. From a newspaper cutting I saw of the discussion in the House last session, some one said that the duty was put on upon the petition of the Auckland people. That is all I know about it.

122. We have a recollection of petitions coming into the House asking for that, and representing that it was necessary to impose the duty to protect New Zealand industry. Your evidence is quite opposed to that?—It is inexplicable why they should have petitioned in that direction.

123. As a matter of fact, has not this ring in the twine business been broken down? I mean this ring which was in existence and kept up the price of New Zealand twine for a long time, and which was brought about under the bond you have referred to. That is to say, all the persons who went into it bound themselves not to sell under a certain price, and it was only under the conditions of that bond that they would supply people with twine. Is it not a fact that that ring has been broken down by certain persons purchasing the twine in Melbourne and importing it here free?—That is rather a large question. One large firm in Canterbury forfeited their deposit. As soon as they had control of their supplies they saw some reason to forfeit their £50 bond. Then another firm said, "We will do so too, and we shall go as far south as the Waitaki." Therefore north of the Waitaki you get a reduction of 10 per cent., but such is not the case south of the Waitaki.

124. But what has taken place has to a large extent lowered the price?—No. In Otago they have sold all their stuff at 4½d. Protected against the rest of the world, they are able to make these rings.

125. You want the duty repealed?—Yes.

126. If it were done away with, then your opinion is these rings could no longer exist by reason of the open competition?—Yes.

127. And that it would benefit the farmer?—Clearly. In Victoria the makers are able to sell at 4d. a pound, less a discount of 7½ per cent.

128. Whereas you could not buy it in New Zealand under what?—Under 4½d., and then with a bond not to sell under 4½d. Here is a telegram from Invercargill, dated the 3rd September, to the effect that binder-twine was sold there at 3¼d., less 2½ per cent. discount.

129. Did they import the twine?—No, it was made locally.

130. That is a proof that the twine can be made and sold at a profit at 3¼d., but the establishment of these rings makes it 4½d.?—That may benefit about half a dozen people, but nobody else. I submitted this matter of duty to the different agricultural and pastoral associations, and I think nearly every one of them passed resolutions in favour of the abolition of the duty. [Documents put in evidence, showing that the Canterbury Agricultural and Pastoral Association advocated the removal of the duty, and that resolutions to the same effect were also passed by the Otago Agricultural and Pastoral Association, Manawatu Agricultural and Pastoral Association, Southland Agricultural and Pastoral Association, Hawke's Bay Agricultural and Pastoral Association, Central Otago Agricultural and Pastoral Association, Tokomairiro Farmers' Club, Clutha and Matau Agricultural and Pastoral Society, North Otago Agricultural and Pastoral Association, Masterton Agricultural and Pastoral Association, Waihemo Association, Ashburton Agricultural and Pastoral Association, Ellesmere Agricultural and Pastoral Association, Gore Agricultural and Pastoral Association, Auckland Agricultural and Pastoral Association, and Wellington Agricultural and Pastoral Association.] The only two societies which did not pass similar resolutions were the Timaru Society and the Waitahuna Farmers' Club, which saw no reason to interfere. So that I have all these other associations against them.

131. *Mr. Tanner.*] In what way would the removal of the duty tend to break up the ring?—The manufacturer here fixes his price on the cost of the lowest competing lines, *plus* the duty.

132. You have already told us that there is nothing which can compete with New Zealand phormium?—Nothing.

133. Consequently, a cheaper material cannot be brought in?—No.

134. Well, assuming the duty to be removed, how would it break the power of the ring?—The result of the present state of things is this: that in order to compete with this ring the fibre must first be sent out of the colony, and the spun twine brought back again, so as to compete with the exorbitant price levied on the New Zealand public.

135. *Mr. Stevens.*] You say that, with regard to twine made of New-Zealand-spun fibre imported from Sydney and Melbourne, you are able to sell it to the farmer cheaper than if it was purchased from the manufacturer in this country?—Quite so.

136. What freight have you paid upon it?—5s.

137. Would you base upon that 5s. freight all future transactions?—No.

138. Therefore the statement as to the cost of reintroducing the fibre here was not what the normal or average cost would be, extending over a number of years?—I ought to point out that the highest freight we have ever paid is 18s., and that the effect of an increase of a few shillings a ton on stuff worth £28 a ton would not raise the selling-price to the consumer.

139. Then, with respect to any other fibre being able to compete with New Zealand fibre for the purpose of making twine, if you could obtain jute as cheaply as New Zealand fibre, would the jute twine be as good as the New Zealand twine?—No; I have tried it. It requires to be spun into three-ply to make it serviceable. It would not do as single-ply, but when spun into three-ply twine you could use it, with careful manipulation.

140. Are you aware that jute can be produced in the country where it is grown at 50 per cent. less than the cost of New Zealand fibre?—I was not aware of that.

141. It is not because jute is cheaper, but because the fibre is unsuitable, that it is not introduced into this country for the purpose of binder-twine?—Yes, that is so; because it has to be spun into three strands.

142. *Mr. Hutchison.*] Financially, the Buckeye Harvester Company have no interest in this binder-twine business?—None.

143. Their action in regard to it is purely philanthropic?—Not quite philanthropic. We do not wish to have to buy this twine, and be bound not to sell under 4½d. a pound. We say the manufacturers ought to be content with a reasonable profit. If we bought the twine locally, we should have to deposit a large sum as a bond not to sell under 4½d. a pound. If we did this, the market would be completely out of our hands.

144. You did not sign this bond?—No. They have refused to supply us locally, but we are getting our supplies locally in a roundabout way. I could not buy from this ring without agreeing not to sell at less than 4½d. We have landed it at 3⅛d. and 3⅜d., and have sold it at 4d.

145. The Buckeye Harvester Company is an American firm, and you are doing business here for them?—Yes. I have other business as well. That is only one branch of our trade. This twine is one of the branches we run in connection with the harvester.

146. You said that financially it did not concern you?—I thought you meant that I had a financial interest in a mill.

147. Oh, no. I understood first from what you said that you supplied the twine to the farmers, and it did not concern you whether the price was 4½d. or 3¾d. But it does concern you?—If I had to pay 4½d. here, while our own office in Victoria is buying at 2¾d., I could not afford to sell at a fair price.

148. *The Chairman.*] You do not press for an alteration of duty in respect of three-ply twine?—No; the importation is so small.

149. Supposing the Commission were to take your view with regard to a certain kind of twine, would your desire be sufficiently expressed by putting it down on the free list?—It would be sufficient if single-ply twine were put down on the list as admitted free of duty.

150. In view of all these circumstances, you think that the insertion in the tariff of the words, "Single-ply twine, free," would answer all purposes?—Yes.

(3.) Mr. F. Oakden examined.

151. *The Chairman.*] Do you agree with the present state of the tariff as to cement?—I do not.

152. What firm do you represent?—The Milburn Lime and Cement Company, carrying on business here.

153. Where is your factory?—At Pelichet Bay, Dunedin.

154. Are you the manager?—I am.

155. You say you do not agree with the tariff as affecting your industry?—We consider the tariff is not sufficient to protect or foster the industry in New Zealand. It is 2s. a cask at present.

156. How much does a barrel contain?—380lb. net. The duty comes to 12s. per ton.

157. What duty do you think would be sufficient to protect the industry?—Four shillings per cask—exactly double.

158. How does the cost of the cement manufactured by your company compare with the cost of the imported cement, or Portland cement?—I should say "Portland cement" is only a name. Ours is just as much Portland cement as the imported article.

159. What is the price of imported Portland cement?—It is a variable amount. It is fixed by the quantity which arrives in the colony—really by the state of the market.

160. Take the present moment: what is the price now?—The ruling rates now are 12s. to 13s. per cask.

161. What is the price of yours?—The same price, or slightly under. As a matter of fact, we have to cut a little below the imported to make sales and get trade.

162. Why? Do you claim that your article is equal to the imported?—It is quite equal.

163. Then, why have you to sell for less?—You see the trade generally is done through importing houses, and contractors are supplied by these houses with a thousand and one things; and in getting orders these importing houses like to include the cement, and we are placed somewhat at a disadvantage in that way.

164. Then, you allege that the reason why you have to sell for less is not because of a difference in quality between yours and the imported article, but because of the trade customs that exist?—Yes; we have trade customs to contend with.

165. Then, supposing this extra duty were put on, what would be the effect to the consumer? Would you raise the price of your cement?—No. I have already given evidence in Wellington in August last before a Committee of the House. That evidence was printed, I believe. Mr. Hutchison was Chairman of that Committee. The evidence I gave was sent down to me for correction. I was cross-questioned as to fixing the price. We would fix the maximum price for our cement at 15s. per cask.

166. Are there any other people in the colony who manufacture cement in competition with you?—Yes.

167. They would probably keep you down in price?—Yes; and other factories, I have no doubt, would start.

168. What is the other company now working in competition with you?—Wilson's and Co., of Auckland, who make Portland cement, and claim to produce an article of the same kind as we produce. Then, there is Rutherford and Co., who are making natural cement, and who propose to make Portland cement as well as natural cement. There are two or three matters in connection with cement which I should like to adduce. I should like to point out that when we went into cement-making, six years ago, the then price of cement—in 1889—was £5 1s. a ton.

169. What is it now?—It has now dropped to £3 14s. 2d. Each consecutive half-year shows a depreciation in the price, and shows an increase in the output.

170. What is the total quantity now made by your firm?—About 50 tons per week. I should say from 50 to 60 tons per week.

171. What is the consumption of cement in the whole colony?—The importation in 1893 was 62,886 casks, six of these to the ton—about 10,000 tons.

172. And then the consumption would be that *plus* the amount manufactured by you and others?—Yes.

173. How much is manufactured by the other firms in the colony?—I am not aware. I have never seen the works in Auckland.

174. Supposing that, roundly, there were 15,000 tons consumed altogether, the present position would be that the local factories would provide about one-third, and the other two-thirds would be imported?—Yes—that is to say, if the local factories continued to manufacture cement. I have already shown the difference in the selling-price between now and six years ago. The selling price has depreciated, whilst the wages have remained the same. The depreciation in price has been brought about through the shipping companies using cement for ballast, and bringing it here without paying freight as it used to do. That brings us into unfair competition with English and German makers. Then, as to wages: according to the ruling wages in New Zealand, England, and Germany, we pay twice the amount that they pay in England, and three times what they pay in Germany. The duty of 12s. per ton only protects us from that. In cement-making nearly 80 per cent. goes in labour. The average rate of wages in England is from 16s. to 18s. a week of from fifty-four to sixty hours; and in Germany, I believe, the rate of wages is as low as from 9s. to 10s. a week. We commence here at 6s. a day, and then go up to 7s., 8s., and 9s. and 10s. a day for skilled labour.

175. That was the case equally in 1889 and 1894?—Probably it would be; but in that case they had to pay freight.

176. Does the freight represent the whole difference?—No. There is the keen competition at Home. The English people are complaining, as we are, that they are brought into competition with the German makers.

177. You must have been able to obtain a certain amount of profit in order to live?—We have spent nearly £20,000, and have not taken a shilling out of it yet.

178. If the difference is not only caused by this question of freight, if you are not making money now at £3 14s. 2d. per ton, how are you to make money if the tariff is increased and you agree not to raise the price?—We are losing money. It is a very simple problem. We must either reduce the wages in the colony to a little more than they pay at Home, or have a protective duty; or we must close the works. If a sufficient protective duty is put on I am quite satisfied there will be other works started in the colony which will give employment to a considerable number of men. And further, it is an industry distinctly suited to New Zealand: the raw materials—the lime, clay, coal, and coke—are all obtained in New Zealand.

179. You gave me an answer to the effect that, supposing a protective duty were imposed, the price of cement would not be higher than it is now?—I said a maximum price of 15s. per cask.

180. If you are losing money now, you could not continue to go on at that rate?—If we could double the output and get double the trade, even at the present prices we could make it pay.

181. The only way in which I can interpret your answer is this: that, if you could get a larger output, you could put in improved machinery and produce cement at a lower cost. Then, I presume, you could make a profit out of the larger quantity produced?—That is the position. The fixed charges for a small output are the same as for a large output. We have got an English maker in charge of the works, also a foreman, engineer, blacksmith, and miller. These are men whom it is necessary to have on small works as well as large. If you make a larger amount of cement, it naturally reduces the cost of production.

182. *Mr. McGowan.*] You said "Portland cement" is merely a term?—Yes, it is simply a name given to the admixture of chalk or carbonate of lime and clay. It has been stated, and generally supposed, that Portland cement can only be made at Home, but that is a mistake. Ours is equal to the cement imported from Home. We have had a certain amount of prejudice to overcome, and I think we have succeeded in doing it by showing that our returns have increased year by year, although the prices have fallen.

183. What is the difference, if any, between the article called hydraulic lime and cement?—A vast difference. That is very inferior to Portland cement—in strength, in the first instance; and it is not so reliable. It may be identical so far as chemical analysis is concerned; but, in the case of Portland cement, it must be burnt to a clinker, and then ground to a powder.

184. Do you maintain that colonial cement is equal to the so-called Portland cement imported?—We guarantee every bag of cement that we sell equal to the average imported cement, and we guarantee it better than a great deal that comes here. You asked me a question about reduction in price. I would point out that last November, in London, there was a special meeting called of cement-makers, and it was there pointed out that a very unjust and unfair practice prevails of adulterating their cement to such an extent that the name of English cement was becoming questionable. A cement-maker said, "We do it; and how can we live if we do not? Germany is doing the same thing; we must follow suit."

185. *Mr. Stevens.*] Did your company here supply the Napier Harbour Board with cement for the breakwater?—No.

186. Did you tender?—No; because the specification provided for casks. We wrote up asking if they would accept bags, and they would not. That is one objection to our cement. It does not keep so well in bags as in casks. The local casks are too costly for us without a larger output.

187. You say you could fix a maximum price of 15s. per cask?—Yes.

188. That is always supposing the rate of wages is what it is at present?—Quite so. Of course, the internal competition would regulate our price. Labourers we now pay 6s. at the commencement, and after a certain time they get 7s. a day. For that they work forty-four hours a week. At Home they work up to sixty hours a week.

189. *Mr. Hutchison.*] You will require to fight that bag question?—We have got estimates for cask-making machinery, and the year before last we spent £2,000 with a view of cheapening the production; but, while things remain as they are in regard to duty, the directors of the company will not entertain the idea of spending any more money in that direction.

190. That matter of the want of casks is a serious drawback to you, I presume?—It is a serious drawback to us for export and West Coast trade. We have successfully tendered for the Wellington, Christchurch, and Dunedin Corporation works, and for the Oamaru Breakwater, and would have tendered for the Napier Breakwater, but they would not accept our cement in sacks.

191. The Napier Harbour Board is a case in point. They require an immense amount of cement, and it is rather hard on them to pay the duty. It is a public work, requiring a large quantity of cement. It is not like supplying cement for the building of a house?—If the duty raises the price of imported cement we shall sell more of ours. The effect of raising the cost of imported cement will be to give us a larger trade, and enable us to manufacture cement cheaper.

192. *Mr. Tanner.*] Are you prepared to publicly guarantee that the maximum price would not go above the price you have stated—namely, 15s. per cask?—Yes, we are.

193. *Mr. Stevens.*] Would white-pine answer for casks? Yes; very well indeed.

(**4.**) Robert Rutherford examined.

194. *The Chairman.*] You appear before us in connection with wax vestas?—Yes.

195. How long have you been engaged in the manufacture of this article, and where?—We have been engaged in the manufacture of that article at Dunedin; and restrict ourselves to speaking about it in this place.

196. You are trading under a firm, then?—Yes; the New Zealand Wax Vesta Company.

197. Are you the manager of that company?—Yes.

198. Whose works are at Caversham?—Yes.

199. How long have the works been in operation?—About nine months in active operation.

200. What is the number of your employés?—About thirty at the present time, and they are constantly increasing.

201. How are they distributed as regards adults and children?—There are four adults, and the rest are all girls, and a few boys, but mostly girls from fourteen, fifteen, sixteen, to eighteen years of age, perhaps.

202. How do you happen to have girls under sixteen without the permission of the Factory Inspector?—I do not know that we have any.

203. As a matter of fact, you have said that you have them between fourteen and eighteen?—We have them between the ages which the Factory Act allows.

204. What wages do you pay?—We pay the girls an average of about 10s. a week—a little over or a little under. The most of them are on piecework.

205. What do you give them when they first start?—3s. or 4s. a week. They commence then at piecework—after they have been there a fortnight or so. After they are able to take up piecework they are paid accordingly, and make an average of about 10s. a week.

206. Now, as regards the healthiness or otherwise of this occupation: I dare say you have seen magazine articles commenting upon the unhealthiness of the manufacture. Have you had any experience of this business in the Old Country?—No; I do not know anything about it there. I have had no experience of the manufacture in the Old Country.

207. The premises you occupy as a manufactory are the old Immigration Barracks at Caversham?—Yes.

208. Now, as a matter of fact, do you carry on the dipping operations on the same premises or in a place apart from them?—We carry on the dipping in one portion of the building set apart for it. It is a separate portion to that in which the girls are employed in packing and filling the boxes—fully the half of them.

209. Then, the dipping is done in the usual way?—Yes.

210. During the nine months your factory has been in active operation, has there been any illness amongst your employés traceable to the work of the factory?—None whatever. We have plenty of room there, and the girls, during off time, are outside.

211. We presume your intention has been to see us with regard to the question of duty?—I submit a written document giving my ideas, and how the wax vestas should be taxed. This is the document:—

"In re *Wax Vesta Manufactory in Barracks, Caversham.*

"The present Customs duties should be amended as under-noted:—

"On wax vestas they should be equalised according to the following: Plaid vestas, under 100, in paper box, are now 1s. 4d. per gross boxes; should be 2s. 9d. Pocket vestas, under 100, in tin or paper box, are now 2s. per gross boxes; should be 2s. 9d. No. 4 Sportsman, under 200, in tin or paper box, are now 5s. 6d. per gross boxes; should be 5s. 6d. Other kinds, for every 100 or fraction thereof, are now 2s. 9d. per gross boxes; should be 2s. 9d.

"Chlorate of potash, largely used in wax-vesta manufacture, is now included in druggists' sundries. As a drug an exceedingly small quantity is used. In beginning our manufacture we exhausted the stock of a wholesale merchant in a week. In our small way we now use 2cwt. a month. Caustic potash is now admitted free, because it is used in the local industry of soap-making. Chlorate of potash is charged 15 per cent., while it has an equal claim to be admitted free.

"Saponified stearine is largely used in match-making. It cannot be used as we import it in candle-making. I suppose it may be melted along with ordinary stearine, and candles made from the mixture; but of the actual fact I have no knowledge. It cannot injure the soap-manufacturer if saponified stearine were admitted free; it cannot injure its colonial manufacture, as it is not made in the colony; it cannot injure the colonial revenue if admitted free. As far as I know, it was not imported before we began the manufacture of wax vestas.

"We have been about nine months manufacturing. We employ about thirty persons, which number we expect to double in another nine months, and this without doing any injury to any other industry.

"New Zealand Wax Vesta Company,

"R. Rutherford, Manager."

212. What is the duty on vestas now?—The duty on vestas in paper boxes (plaids) is now 1s. 4d. per gross boxes. That is ridiculous. We want the duty increased to 2s. 9d.

213. Now, as regards the other matches—those that are packed in the larger boxes?—We are just on the eve of making the tin boxes here in the colony. We do not mean to import them.

214. Well, then, the duty on the "plaid" vestas is now 1s. 4d. per gross boxes, and you want that increased to 2s. 9d.?—Yes.

215. At what price do you now sell that particular article from your factory?—We do not sell any. We have not yet made them. We have been in negotiation with stationers to make paper boxes, but have got nobody to say they can make them.

216. Then, what are you manufacturing?—We are manufacturing what is called 200s—No. 4s.

217. And is that the only kind you turn out?—Yes; and we cannot half supply the demand.

218. You are making arrangements, you say, for making your own tin boxes?—We have made all arrangements for making them ourselves. That will employ a great many more hands.

219. At what price can you supply these No. 4s to the trade?—We intend to be quite frank. We have only one agent in town. We say, "You give us 15s. a gross net for these, and if you can take all that we can make we will supply nobody else." We have never been able to supply that firm.

220. You can produce them at 15s. a gross wholesale?—Yes; that is net.

221. Now, what is the cost per gross of the imported article? Do you happen to know?—I really do not know. It varies. The demand is greater than we can supply. The wholesale firm makes more out of our articles than out of any other.

222. The duty is now 5s. 6d. per gross boxes on these 200s. What is it you want it to be?—As they are. We do not care whether you increase it or not. We are quite content to let it stand as it is.

223. You have got, "Other kinds, for every 100 or fraction thereof, 2s. 9d." ?—Yes.

224. *Mr. Tanner.*] Have you made any of the large No. 10s?—No; only No. 4s.

225. You propose "Other kinds, for every 100 or fraction thereof, 2s. 9d." ?—Yes.

226. These are the only alterations you ask?—Yes.

227. Your idea is that for the plaid vestas you want 2s. 9d., and have no objection to the others remaining the same until you come to No. 4s. You say that pocket-vestas under 100 should be 2s. 9d., the same as the plaids?—Yes.

228. And the No. 4s you are willing should remain as at present?—Exactly.

229. Then, as to those containing more than No. 4s, you ask the duty to be 2s. 9d. for every 100 matches?—Yes.

230. Now, then, what do you want to say in support of that matter? Do we understand this is no increase of the present duty?—It is no increase on No. 4s. That is the main item of consumption. It is to make them as nearly as possible the same. The box which I now produce is made in Germany, and it is a German agent who sells them here; and these people are carrying on competition with England, work very long hours, and employ such kinds of labour as would not be tolerated in England. These are sold at about 1d. a box. They are under 100; there are about ninety in a box. I want to get 50 per cent. additional on German and Swiss wax matches; in fact, I want to get 50 per cent. additional duty upon foreign-made articles, where all sorts of labour is employed, to the detriment of the British manufacturer.

231. *The Chairman.*] Then, as to chlorate of potash: you ask in your memorandum, upon general grounds, that this should be admitted free, because it is used in the process of your manufacture?—Yes; and without injuring the revenue in any way, because there is no revenue from it.

232. Then, as to the saponified stearine: you say this is largely used in match-making, and that it should be admitted free?—Yes.

233. Are there any other matters which you wish to submit to the Commission?—No; we stick to our own trade.

(5.) Robert William Rutherford examined.

234. *The Chairman.*] Have you anything to add to what has been stated by the last witness with reference to the manufacture of matches at Caversham?—I have only to say that we made all our machinery here, and continue to make it. We want no reduction whatever on these articles. With regard to the Dunedin stearine, I may inform the Commission that we tried it for nearly nine months. It was an inferior article, especially when the weather was warm, to employ in the manufacture of matches. In warm weather it went soft. We were told the extra pressure, even to make this article, knocked the manufacturers' machinery to pieces. I went in to see the manager for McLeod Brothers, and they were shut down. We had also to shut down in consequence. We have had to stop three or four times for the same reason.

(6.) Henry S. Jones examined.

235. *The Chairman.*] You are the representative of Hayman and Co., wholesale merchants in Dunedin?—I am.

236. You appear before us in connection with wax vestas?—Yes.

237. Will you kindly state what views you wish to represent to the Commission in connection with this matter?—We find from our representative in Wellington that the duty collected on vestas for the last twelve months amounted to something like £14,000. The manufactory there employs something like fifty or sixty hands—girls mostly, with two adult males.

238. We have all these particulars, and absolute evidence as to the number of employés, and everything else connected with the factory. Have you any other information to offer?—Then, we simply wish to confirm what Mr. Lachmann said. I think he suggested that the duty be reduced to 2s. 6d. on what are called No. 4s. We think that is asking for rather too much.

239. What, then, do you propose?—About 3s. 6d. or 4s.

240. A Mr. Kernot came up at the same time as Mr. Lachmann, and he recommended that the duty on the plaids should be reduced to 1s. 6d. a gross, and that the duty on the squares—that is, 250's—should be 2s. 6d.: what do you say to that?—We think that is rather too much to ask.

241. What, then, do you propose?—The main thing is this: We look on the loss of revenue there will be to the country. R. Bell and Co. pay nothing as an equivalent. We intended to have Mr. McKerras here to-day, but unfortunately he is out of town, but he will see you when you return from the south.

242. What amount of duty is it you recommend?—About 3s. 6d. on No. 4's.

243. What about the plaids?—About 9d.

244. The recommendation with regard to the large sizes was this: For large sorts, 2s. per gross for the first hundred, and 1s. 6d. for every additional hundred. That would be, I suppose, 8s. for a gross of thousands, according to their recommendation. What do you recommend for the larger sizes?—We agree to that. There is one other thing we should like to point out—that is, the practice the Customs have of not allowing us to deduct the cash discounts. We have to allow to customers 2½ per cent., but the Customs will insist on our paying duty on that, and we think that very unfair. The invoices as they come in have the cash discounts, but the Customs will not reckon that.

245. You claim that you ought to be allowed that discount on the ground of allowing it to your customers?—Yes. Cash customers have an advantage over those people who do not pay cash.

246. Who is the Mr. McKerras you have referred to?—He is a member of the firm of McKerras and Hazlitt.

247. What evidence will Mr. McKerras give us?—He is a large indenter of matches.

248. We have got your recommendation as to what you wish, and we know generally your grounds. Have you anything further to add?—No. Mr. McKerras will be in a position, on your return from the south, to state his views in connection with this matter.

(8.) James Neil examined.

249. *The Chairman.*] You are a medical herbalist, I understand?—Yes, and a manufacturing chemist, carrying on business in Dunedin.

250. How long have you been engaged in the profession or business?—About twenty years.

251. In this colony the whole of the time?—Yes.

252. Do you employ others besides yourself in the factory?—Yes; I have four hands in the factory.

253. Are they adults?—There are two adults, two girls, and myself in Dunedin; in other branches, nine hands.

254. What is the rate of wages earned in the factory?—The girls are getting 15s. a week. There is one of the men, not quite out of his time, who gets £1 10s. a week; and the other, a sort of labouring man, gets £1 12s. 6d. a week.

255. We presume you have come to see us in connection with the tariff. Will you be good enough to state what matters you wish to bring before us?—I do not want anything taken off the tariff, but I would like something put on manufactured goods, because they interfere seriously with us. Most chemists and druggists import the stuff ready made. I find the raw material is charged me the same as manufactured pills. The articles that I produce are pills and other medicines made by me. I apply that all pills in bulk, which are now admitted at 15 per cent., should be increased to 25 per cent., on the ground that we can manufacture them equally well here.

256. If that were the case, would not the cost to the private purchaser be larger than it is now?—Not a bit. It would not increase the cost to the consumer. It would tend to make a good many of the chemists make them themselves. A chemist purchasing from me would pay the difference of duty. The duty on the class of perfume I now produce is £1 1s. per gallon. The duty comes to 12½ per cent. I suggest it should be raised to 25 per cent. *ad valorem* in the case of small bottles like this. As regards perfume imported in small bottles of less capacity than pints, the duty should be raised to 25 per cent. *ad valorem*.

257. Can you prepare these things here?—Yes. The manufacturers at Home get a rebate from the export duty, which, practically speaking, gives them a big advantage over us. The rebate is to the value of the spirits, which are the foundation of the thing, and they only pay on the perfumery part. We have to pay 15 per cent. on articles which we use in making our perfumes. I want that 25 per cent. *ad valorem*. The department requires us to bottle perfumes in bond whilst the Customhouse officer is waiting. We ought to be allowed to take it out in bulk and bottle it as required. Manufacturers of perfumes should be allowed to take essences and perfumes out of bond in bulk instead of having to fill the small bottles first in bond. They should be allowed to take them out in quantities of from 1 to 5 gallons.

258. Then, do I understand that perfumed spirit comes out in quarter-casks or bulk in that way?—It comes out mostly in tins or Winchesters. We make it in bond in quantities, but have to put it into small bottles in bond. We want to be allowed to send it away to customers in bulk or we lose these customers, as they can get the imported in bulk. With regard to medicinal tinctures, they do not pay sufficient duty. It is 15 per cent. We can make them here. We ask the duty on these to be raised to 25 per cent.

259. *Mr. McGowan.*] As a manufacturer, would you not think it an advantage to bottle it in bond in a pure state rather than send the perfume to the country to be bottled in an impure state, and have the blame for an inferior article put on the manufacturer?—The chemists who sell it put their own names on it. It is only when we want to supply the trade with bulk quantities that we ask to be allowed to take it out of bond in bulk quantities.

260. *The Chairman.*] I suppose, as a matter of fact, that in your business the retailers charge generally a sufficiently large profit, so that the difference of 10 per cent. would not interfere with the price to the consumer?—I do not think 10 or 15 per cent. will make any difference to the purchaser.

261. You claim to be able to make all these things, and that you ought to be put on a proper footing in regard to imported articles?—Yes. With regard to herb roots, bark, seeds, and all that sort of thing, I do not think the raw material can be lessened in duty, because it is only a question of time when they can be produced here. But I want a difference made between the raw material and the manufactured article, which does not now exist.

262. What difference do you ask in favour of the local manufacturer?—A great many of these things are imported now because the chemist can buy them at the same rate as the raw material; but I would say 30 per cent. gross. The present duty is 15 per cent. all round. I want the present duty retained on the raw article and doubled on the other manufactured goods.

263. Could you give us a list of what you would deem to be manufactured articles, as no person but an expert could say distinctly as to what were manufactured and what were unmanufactured articles?—I will do so. There is a great deal of powdered drugs imported, and they could all be ground here. It is a question of getting mills to grind them.

264. *Mr. Tanner.*] I would like to know why you suggest a duty of 30 per cent. on manufactured articles?—It is just this: because they are bulky goods, and do not run into much money. I would not object to 25 per cent. all round. I want a substantial duty.

265. *Mr. Mackenzie.*] In putting on 25 per cent. you would not hurt the revenue?—It would not help the revenue much ultimately, but in the meantime it would assist both revenue and tariff.

266. Then, as to pills, there are a number of pills you do not make. The protection on these would cause the trade to go into your hands?—As regards patent medicines, I should like to suggest a very substantial increase in them—from 15 to 40 per cent.

267. Why, as a matter of fact, are not patent medicines very much used by poor people in this country?—Not so much as formerly, because a great deal of the local article is taking their place. For these patent medicines they have enormous profits. Of course, they advertise very largely. At the same time, it would not make any difference to the consumer if they were raised.

268. *The Chairman.*] Supposing the duty were raised as you propose, would not you and others be likely to get all the business?—It would help us a good deal, and would keep grocers and others from spoiling the trade by selling a two-and-sixpenny article at a profit of a 1d. or 2d. Now they are selling a box that cost 1s. 2d. for 1s. 3d. and 1s. 3½d. If a duty of 40 per cent. were imposed it might raise them to 1s. 6d., which would be a reasonable price. But the profit will allow all that percentage to be paid.

269. *Mr. McGowan.*] It appears from your statement that the grocers do not make much profit out of the patent-medicine business—that the public get the benefit; and that the increased duty would simply be the increase of price which the public would pay for them?—If they paid 1s. 6d. it would be very little. A man does not want more than a box of pills in a month. The American travellers are pushing a trade in fluid extracts. These require to be manufactured with a weak spirit. It would be but justice to give us a rebate on the spirit.

270. Are these things used as drinks?—They are used as medicine. It is a concentrated form of medicine. The Americans come along and get great orders. What we ask is to be allowed to make them in bond. In regard to tinctures, there are some we are not allowed to make, and they are allowed to be imported at 15 per cent. Those who have bonds here would prefer to have a larger duty put on. They should be charged spirit duty.

To the Tariff Commissioners.

GENTLEMEN,—The following abridged list will show what is crude and what is manufactured roots of all kinds: Herbs, dried and pressed, or loose; barks, crude or cut; seeds, loose—*i.e.*, not in small picture-envelopes; flowers used in medicine as camomile, calandula, &c. This covers all the crude material used in herbalism. In the drug trade crude material will comprise salts of all kinds, except such as may be put up in small bottles or packages, which are sold as patent medicines, with labels. I would suggest that 1lb. be the smallest package allowed as crude carbonate of ammonia, rochelle salts, cream-of-tartar, tartaric acid, soda, bicarbonate of potass, salts, vaseline, quinine, quinine and iron, iron salts, and other forms; also the carbonate sulphates, and various forms of other metals. The manufactured articles are ground or powdered roots, barks, seeds, herbs, flowers, vegetable, solid extracts, fluid extracts, confections, conserves, concentrated infusions, decoctions, syrups, solutions, pills, tabloids in bulk (*i.e.*, not proprietary), liniments, embrocations, blisters, and all mixtures of drugs used either for man or beast. In perfumery, French pomades, essential oils, musk, &c., should be considered crude, and stand at present duty.—J. NEIL.

(9.) ANDREW WALKER examined.

271. *The Chairman.*] Do you appear here as a delegate for the Typographical Society?—Yes, I am secretary of that body.

272. And you are authorised to appear on their behalf?—Yes.

273. Is it the Otago Typographical Society or Association?—Association—a body of workmen.

274. Now, you have come here prepared to make certain representations to us: will you kindly state them.—The chief object I have in coming here on behalf of the Typographical Association is with regard to stereotype blocks, matrices, and printing generally; that is, where any amount of composition is in question.

275. We have had the whole statement of the matter from the Typographical Association in Wellington?—Yes, we are pretty united in this respect; and before last session the various societies throughout the colony presented petitions to Parliament, and, of course, through the tariff question being held over until this next session, they were not entertained. But perhaps I had better give what evidence I have, because I do not know what Mr. Jones, of Wellington, gave to the Commission. This [produced] is a specimen supplement that has been sent throughout the country from the other side. They say they will sell this to the colony at 3s. 4d. per 100 copies; and for 4s. 6d. per 100 copies they can have two pages printed and two white, on superior paper. This is more than a demy sheet. It would be a half-sheet of news. That is 3s. 4d. per 100 copies for the single sheet of two pages, and 4s. 6d. per 100 for double that size, with two white pages and two printed. Now, I did not know that this practice of getting supplements from the other side was resorted to to any great extent in Otago, but within the last two days I made inquiries, in order that I might give some evidence to the effect that this class of matter is introduced into the colony. Here is a copy of the *Cromwell Argus*. These two pages are stereotyped, and these other two pages are produced in the office itself. Now, here is a complete supplement, something similar to the one I showed in the first instance, issued as a supplement to the *Tuapeka Times*. Now, I dare say that if I made further inquiries I could find that other papers are resorting to the same thing. I put these two papers in evidence to show that the practice obtains in Otago. I believe there is an agency in Dunedin for the purpose of supplying country papers with stereos. My informant himself saw the blocks in the agency. This agent makes it his business to get as many of these stereo blocks into existence as possible. It saves composition. I remember when the *Globe* was running here McKee and Gamble, of Wellington, sent round circulars offering to supply these blocks at 2s. 6d. per column.

276. *Mr. Hutchison.*] The supplements are printed in some office, and sent to country newspapers, and the other things sent to them are stereos?—These supplements have, without doubt, been brought in from the other side. So far as stereo blocks produced in this colony are concerned, we would take no exception to that. I understand the object of the Commission is to secure protection from the outside parts of the world.

277. *The Chairman.*] McKee and Gamble make the stereos in Wellington?—Yes. That I do not object to; but I object to stereos made outside the colony and introduced into it. We would take no exception to the *Otago Daily Times* running off stereotypes. They have plant to do it, and could run off the paper.

278. *Mr. Hutchison.*] Would you not object to their sending them to the country papers?—No because, in the first instance, the *Otago Daily Times* is employing local labour. All these stereotypes brought in have been produced either in America or Great Britain.

279. *The Chairman.*] Your argument being that before you get a stereotype you must set it up by hand. But you do object to people elsewhere setting the matter up, and then sending the stereos here?—Yes; that is the ground we take up.

280. Supposing we were to take the view that stereos set up abroad and imported ought to be dutiable, for the purpose of protecting the local industry, what rate of duty do you think would suffice? Have you given that any thought?—I have not worked it out, but, speaking off-hand, it would require 75 per cent.

281. Do you think that would be enough?—I think it would be ample, because, if that would not bring it equal to the cost of original composition, it would nearly do so. That is what we want —to bring it to the cost of original composition in the colony.

282. Then, you think 75 per cent. would be ample?—75 per cent. would make it almost prohibitive, I believe. It would be nearly so at any rate.

283. Sufficiently nearly so to meet the purpose?—Yes.

284. Now, we have got your views as to what would be a sufficient duty in regard to imported stereos: we shall come next to these printed supplements, if printed abroad. What do you say in regard to them?—With regard to these printed supplements, I suppose it is really the cost of running them off, and the paper. I do not understand much about the Customs methods. I suppose they call *ad valorem* a duty according to the value. Supposing a hundred of these were sent through at a cost of 3s. 4d., in determining so much *ad valorem*, would you say a duty based on 3s. 4d. a hundred?

Mr. Tanner: Ten per cent. added to that, as provided by law, on all imported goods to bring them up to their real standard value here.

Mr. Glasgow: Ten per cent. is added to the import cost before the duty is collected.

285. *Mr. Tanner.*] If you had 75 per cent. on that, that would be 2s. 6d.?—That would not answer the purpose at all. You would have to run into 200 or 300 per cent. We will take the composition, say 7s. a column, or about £5 in composing that.

286. *The Chairman.*] As a matter of fact, is not this the case: If the country newspaper which uses that had to set it up it would never set it up at all?—I suppose it would not.

287. So that, therefore, it does not stop any labour?—I do not know. They pay so much for two hundred copies. That might interfere with composition. If you put on a pretty high duty they would not use these imported supplements. They would very likely come into Dunedin, and from one of the local offices get more readable matter for the people of the colony. In some instances now they come into the *Star* and *Times* and buy supplements from them. That increases the revenue of the local offices.

288. What would be the difference supposing the business of supplying these supplements were commanded by one of the large papers in Dunedin?—It would, of course, first set up the matter, make its stereos from that, and from that produce these supplements.

288A. At what rate, supposing they had a considerable demand, could they supply them? If a Sydney or Melbourne firm can supply these at 3s. 4d. per hundred, at what rate do you think one of the leading newspapers here could supply them if they had the business?—Well, I do not suppose they would supply them for 3s. 4d., because they do not get the numbers.

289. Could they supply them at double the price?—Yes, they could.

290. The rate of composition here is no higher than it is in Sydney—*i.e.*, there is no difference worth talking about?—No.

291. If the cost of paper and labour is the same, surely they should be able to supply them here at double the price?—Well, I do not know that is so, because very likely they would charge more. In the first instance, by getting a local supplement they get colonial news in all probability. They have a perfect right to charge more for a superior article than for what is given for many of these articles that appear elsewhere.

292. I am asking you with regard to the same sort of thing?—We want to try and stop these supplements from being imported; and it would require more, I believe, than 100 per cent. I believe if you put on 150 that would meet the purpose.

293. Then, your answer is, that you require a duty of 150 per cent. *ad valorem?*—I believe that would enable the colonial proprietors to compete with the imported supplements. 150 per cent. would bring it up to 8s. per hundred. Some of these country papers have not an issue of more than 200 copies.

294. Would they not get eight or ten country papers to take these supplements, and so run the number up to a considerable quantity?—I do not know whether that would be the case. I have been in the *Star* for a number of years, and can speak from experience. Before these outside supplements came into the colony the *Star* did not issue more than three supplements for the country papers.

295. I suppose you see most of the papers in the colony?—No; it is not my line. Of course, there is a room where a file of colonial papers is kept. This stereotype is more largely resorted to

in the North Island than in the South. One paper in the North Island called, I believe, the *Gumdigger* was all stereotyped.

296. Then we have got to this: that the duty which you think would suffice with regard to printed supplements would be 150 per cent.?—Yes. It seems a large sum, but we have to take into consideration the small price at which these are issued.

297. Then, as to matrices, or rather the thing from which the stereo is cast: I suppose the 75 per cent. duty would apply to the matrices also?—Yes; perhaps a little more, because, being lighter, they would come into the colony cheaper.

298. Supposing you say a duty of 100 per cent.?—Yes; I think that would answer.

299. Is there any other matter in connection with your trade besides those you have mentioned that you would like to bring under the notice of the Commission?—Yes; there are these theatrical playbills. They are brought into the colony largely by small variety companies, such, for example, as the Lynch Family of Bellringers. Then, there are handbills, programmes, circulars, playbills, invoices, billheads, patent-medicine books, and so forth, upon which I consider a duty of 50 per cent. should be placed.

300. I think we got pretty much the same recommendation in Wellington?—I have not, of course, seen the evidence that was given there on the subject.

301. *Mr. Mackenzie:* Is it quite fair to give witnesses information that may be supplied by witnesses in other parts, especially as we know the evidence is not meant to be published and afterwards used?

302. *The Chairman.*] I think you mentioned handbills, also theatrical playbills, invoices, billheads, and chemists' and patent-medicine books, as articles upon which a 50-per-cent. duty ought to be imposed?—Yes.

303. Are there any other items?—Those things give an idea as to what we want an increased duty on. We mean to include all work where there is composition.

304. You want 50 per cent. on all these items?—Yes. Really, these playbills ought to be put much on the same footing as stereos and matrices, for this reason: When these playbills are composed it is not for the purpose of a colonial tour. If they are composed in Victoria for the purpose of a Victorian tour the parties have New Zealand in their mind's eye, and they say to the printer, "Rattle us off a thousand of these bills," and a price is given for these bills, *minus* the cost of composition; and when these bills are landed in New Zealand the invoice price given is not for original composition. Perhaps 500 bills landed would cost them £1 5s. or £1 10s., whereas originally the same number of bills would cost them £3. So that really in that case we ought to ask for more. The same thing applies pretty well all round. I do not know that 50 per cent. would stop the importation of theatrical bills, programmes, circulars, and chemists' books. I think I am justified in asking 75 per cent. if you see the thing in the same light.

Mr. Glasgow: I think the value would be assessed at the cost of setting the matter up. There never is an invoice with these things. A theatrical company brings over its surplus bills, and in every case the Customs officer assesses the value and asks the opinion of some one in the trade, and that value would include setting-up and printing-off.

Witness: If they are assessed in that way, 25 per cent. would suffice if the cost of setting-up were included; and the same will apply to every one of these items if duty is charged upon them in that way.

305. *The Chairman.*] Is that the case, Mr. Glasgow, in regard to printed matter sent in without any charge at all?

Mr. Glasgow: Yes; that is so.

306. *The Chairman.*] If the cost of setting-up is not included, then you think 75 per cent. would be required?

Witness: Yes.

307. Have you any further representations to make to the Commission?—That is all I wish to speak of in regard to the duty. I can only say this: that apprentices are being turned out largely in our trade, and if we are to absorb their labour something in the way of protection is necessary. As secretary of the association, I can say we have a membership of 119, and on the casual-list, while I have been secretary—for over twelve months—there have never been less than thirty or forty men—that is, men not in regular employment. The 119 includes this latter number. So there is a very heavy casual-list for the numbers we have. To give the Commission an idea of the amount of labour done by these casual men, I may state that, taking the last half-year, we have a casual-list of over thirty, and the amount of work done is not equal to more than one-third full employment of their number.

308. Do you not think there would be any danger of smuggling these articles in—for instance, matrices, which are only stiff sheets of cardboard—if a prohibitive duty were imposed?—They could smuggle in matrices unless you had an expert to watch them. The Customs officer would soon become an expert, because once he sees matrices he would not mistake them.

Mr. Glasgow: The officer would have to examine a great many more packages to see that matrices were not smuggled in.

309. *The Chairman.*] Could not they be smuggled in in cases of stationery?

Witness: Yes.

310. Would not that be the case if the duties were very high. That is usually the case where there are high duties?—The printers of the colony themselves would be very good detectives in that matter, because they are in a position to know what is imported matter. So far as the stereotype blocks are concerned, every practical man can pretty well tell the stereotyped matter. For instance, we really have no means of knowing that these supplements are printed from stereotyped blocks; yet we know from their appearance, and the matter in them.

311. *Mr. Tanner.*] How do you know?—They are sometimes rough. You can tell by the way they are joined, and so forth. Sometimes there are no column-rules, and very often the blocks

require to be cut. You can see in the sample produced that some hammering process was goi n which damaged this block.

312. Do you think there would be a willingness on the part of the large printing firms in the colony to supply these printed supplements to the smaller newspapers in case the imported ones were excluded?—I have no hesitation in saying they would do so readily, as a matter of business.

313. *Mr. McGowan.*] Would it not be possible to send any number of these printed supplements by post?—They could be sent by post.

314. If you admit stereotyped supplements, on what principle do you stop the printed supplements?—If a hundred of these supplements were sent by post, you could not interfere with them?

Mr. Glasgow: Yes we could.

Witness: There the societies would again come to the rescue. So far as these country supplements are concerned, the sending of them into the country by post would not go undetected long.

315. *Mr. McGowan.*] But the trade is not prepared to say they will not admit newspapers wholly printed by that method. If you are prepared to admit foreign newspapers that are stereotyped, on what ground do you refuse to admit printed papers? At the present time, papers printed by this method are admissible. You want to stop supplements coming in. Now, what plan would you adopt to stop this method, supposing it came into the colony as a printed paper?—I presume the Commission will take notice of such publications as *Tit-bits*, *Scraps*, and so forth. I refer to these stereotyped productions that are sent out here to the owner, and he makes it a profitable concern by having advertisements run around the sides, tops, bottoms, and so forth. These publications should not be encouraged, because they take the advertising revenue away from the legitimate channels. It lessens the advertising revenue of those local papers that are employing large staffs of men, and giving the day's doings of the colony, if not of the world—and if the public generally are to have a good paper, that paper must have a good revenue. By allowing these foreign publications to come in you lessen the advertising revenue of the papers in the big centres of the colony, which should receive support and consideration in the matter, because they are at very great cost in the production of their papers. There are cablegrams, records of Parliament, the day's doings, a staff of reporters, and a large staff of compositors kept up; and unless their revenue is something substantial, the probability is they go under.

316. You want an imprint, stating that such a paper is printed in the colony?—Yes. On the question of imprints, the present "Printers and Newspapers Registration Act, 1861," I think, provides almost solely for the registration of newspapers and pamphlets. There are large exceptions. Now, I think all this work we have been speaking about to-night should bear an imprint; and, if the Commission would take a note of it, I would like to urge that that be done.

317. *The Chairman.*] Very well; that all imported supplements and other publications should bear an imprint. Is that what you mean?—Yes. This is the direction in which the Printers and Newspapers Registration Act of 1868 goes: "Every person who prints for publication or dispersion, whether gratuitous or for money, any paper or book shall print in legible characters upon the front of every such paper if it be printed upon one side only, and upon the first and last leaf of every paper or book if there be more than one such leaf, his name and the name of the place, and, if it be a town, of the street or other part thereof in which his usual place of abode is situate." The printers of the colony would like to see that clause of the Act amended by deleting clause 9, which is as follows: "Nothing herein contained shall extend to the impression of any engraving, or to the printing by letterpress of the name or the name and address or business or profession of any person and of the articles in which he deals, or to any papers, for the sale of estates or goods by auction or otherwise, or to any bank-note, bill of exchange, or promissory note, or to any bond or other security for the payment of money, or to any bill of lading, policy of insurance, letter of attorney, deed or agreement, or to any receipt for money or goods, or to any warrant or proceeding in the Supreme Court, or to any papers printed by the authority of any department of the Government of the colony." There are large exceptions made by that clause 9, and if it were eliminated I dare say the imprints required would cover almost everything. I will place this in the hands of the Commission, because we are unanimous on the point.

318. You should address your request, as an association, to the Minister of Labour, pointing out the matter, and bringing it under the notice of the Government. It is a thing that does not strictly bear upon the question of tariff?—It would be admissible on the part of the Commission, I suppose, to say that if the country desired an increased duty on those articles it would be advisable to have an imprint?

The Chairman: That is quite possible.

319. *Mr. Stevens.*] I understand you to say that you require a duty of 75 per cent. placed upon stereos and matrices. You said that in the first instance, and then thought a further sum of 75 per cent. should be imposed, making it 150 per cent. for playbills, and so forth, that were imported. Do you not think, if you were to place 75 per cent. on these stereos brought in and used largely by country newspapers, that would have the effect of doing your business harm instead of good, inasmuch as this: that I suppose I am not wrong in saying there are about six hundred odd newspapers and periodicals published in this colony?—I could not say.

320. I think that is somewhere near the number?—I suppose it will be.

321. Very well. Now, a large number of these country papers are only able to exist by working on the cheapest possible lines imaginable; but if they had to pay for colonial labour, if they had to pay for the setting-up of matter which only costs them 3s. 4d. per hundred sheets, if they had to pay colonial labour for the purpose of setting up that, would this duty not have the effect of compelling a large number of the proprietors to cease publication?—I agree with what your Chairman said a little while ago—that if they were debarred the use of this stereotype they would not resort to supplements. They would either dispense with them or get a supplement from one of the colonial papers. So that the question of composition is not affected to any great extent. But if they decided to put in a little more composition in their papers in place of supplements, either stereotype

or from a colonial paper, then it would mean so much more for composition. There are few more papers now than we had three or four years ago, when this question of stereotyped or imported supplements was not thought of or heard of. So that the probability of country papers going down from being prohibited to import these can hardly be entertained, I should say.

322. But, irrespective of supplement, you held up a full copy of the *Cromwell Argus*, and said two pages of that were stereotyped?—Yes.

323. That is not supplement?—They produced, on this particular occasion, an eight-page paper.

324. I am merely asking these questions so as to get, as nearly as possible, at the point of duty that would have the effect of probably assisting your trade, and, at the same time, not doing an injury to existing papers: that is the happy medium I hope we may be able to strike?—I do not think it would affect the country papers financially to any great extent.

325. We will say that it requires £20 a week to run a small country paper. Well, if this duty, as it naturally would, increases their expenditure to another £5, that might have the effect of absolutely closing up the paper?—I do not think it would affect it to that extent. My opinion in regard to these country supplements is this: that if the imported article is kept out, there is a probability of the leading papers of the colony having more country supplements to turn out. It will assist their revenue to some extent. I believe that, if *Tit-bits* and other such publications are prohibited, such prohibition will largely assist the large papers of the colony.

326. *The Chairman.*] You propose to put *Tit-bits* under the duty?—Yes; I believe it is papers like these that are doing most injury.

327. It would be well if your association would supply the Commission with a list of papers coming under that head, would it not?—I shall do so.

328. *Mr. Stevens.*] Now, with respect to the 150 per cent. on handbills and invoices, and various other printed matter of the kind?—I think it has been understood that, if the local-production cost is to be the basis of assessment, 25 per cent. would answer the purpose.

329. I suppose that nine-tenths of the theatrical companies, circuses, and other combinations that come here to cater for the amusement of the people come into the colony *viâ* the South, instead of the North, except those which come to Auckland from America?—They may come from Sydney to Auckland as frequently as from Melbourne to the Bluff.

330. We will assume that most of them come from Great Britain and America, and that those who come from America generally come *viâ* Auckland. The others from Great Britain touch first at Australia, and bring their printed matter over here with them?—I would not say that nine-tenths bring their printed bills; but, while on the question of dutiable bills, I would say that Victorian bills should not be touched in any way—not those large illuminated bills, because they could not be produced in the colony. When I say a pictorial bill I do not mean that a small block in an ordinary theatrical bill should be exempted from duty. Those large pictorial bills are what I refer to, and these should be exempted from duty, because we cannot produce them in New Zealand.

331. In the colony you have not the blocks to produce them?—No. These companies generally carry the small blocks with them. You remember the Lynch Family of Bellringers, for instance. They have a small block at the head of their bills representing a number of bellringers sitting round a table. Their bills should not be exempted on account of that small block, but these large pictorial bills should be exempted.

332. *Mr. Hutchison.*] Why exempt those big bills?—Because I do not think we have the men or firms in the colony that take that business up.

333. Are the large pictorial bills of any use?—These circus-bills are good for the children, at any rate. There is no doubt that if the circuses had to pay the cost of them in the colony they would not have them done here. The lines I would go on are these: that, if it is to be no benefit to the workmen of the colony to keep the article out, then let it come in.

334. Is it not injurious as being an advertisement, and that consequently they do not require so much printing?—They hardly come within our line.

335. Why?—We can do lithographs here, and I would like to see an imprint, so as to see where a lithograph comes from.

336. An imprint is required for the purpose of enabling you to see who is chargeable for the printing?—Yes.

337. That is the sole object. This supplement is enclosed in the newspaper, and consequently an imprint is not required in that respect?—Well, I do not know. When we talk of an imprint in regard to imported printing we mean that the imprint shall be on it before it comes into the colony. The question of tracing matter led up to the imprint. The question of tracing contraband articles led up to the question of imprint, and I was asked if I could suggest anything to prevent these goods being smuggled into the colony. I say that imprint would assist to an extent.

338. *The Chairman.*] Then, you mean by that, I suppose, that you would have the imprint of the person who issues the paper outside of the colony?—Yes. They would have to put on their own imprint as well.

339. *Mr. Hutchison.*] It is unnecessary?—I think, if you publish a supplement, you have to put an imprint as well.

340. Do the country newspapers get many supplements from the town newspapers?—There are two turned out of the *Star* office. I do not know how many are turned out from the *Times*, doubtless more. Mills, Dick, and Co., six months or more ago, turned out a supplement which was set up by them, and the *Globe*, when in existence, published one or two country supplements.

341. I would suppose the supplement for a country newspaper is made out of the ordinary supplement?—Oh, no. It is made up from the news of the week. In our place these supplements are made up on Monday night. The country supplement is made up of all important news occurring between one publication and the next.

342. Do you not think that that supplement is more valuable for a country reader than these foreign supplements?—Decidedly, I think they are more valuable, because you will hear it remarked almost every day that country people know more about the affairs of the colony than town people That is proof that they are greater readers than town people. The supplements produced contain colonial news and cablegrams.

343. Do you know, of your own knowledge, that the *Times* supplies supplements to country newspapers?—I cannot say that, but at the same time I am sure that they do. They may not, possibly, having a weekly circulating largely in the country.

344. I do not think they do. The *Star* is the only paper which supplies supplements. You do not know at what price?—No. I think it is very likely a paper like the *Times*,* so well able to produce a really good supplement, will have demands upon it for supplements. That is my private opinion. It may be useful to the Commission to know whether they do issue supplements. I shall make it my business to find out, and I dare say I could get the information readily enough. But if you were to consider the question of merit, the colonial supplement is much superior to the imported one, from an educational point of view at any rate.

345. These supplements are very trashy: it is not educational news; but that is a matter of no consequence. I am entirely at one with you on the question; but there is this broad question to be considered: These country newspapers cannot exist without these supplements, and these newspapers existing in this way do give employment to a number of hands; and the question is whether, if these supplements were suppressed, these country newspapers would continue to live. That is a point which is worth consideration by your society?—Well, so far as we are concerned, and myself personally, I do not think there is much in it at all, because these papers existed to as great an extent before these supplements were introduced as they do now. I do not suppose there are more than half a dozen papers added to the number within the last twelve months, and perhaps some of them have gone down.

346. But suppose one is getting a supplement, and dropped it, do you not think it would suffer from a loss of subscribers when other newspapers around it had supplements?—I believe they could get a local supplement.

347. It might be three times as dear, and they are into the way of getting this thing. The point for you to consider is, which is most likely to enable these persons to carry on their business. I think it is a great pity they have to do this thing, but then they employ half a dozen hands perhaps?—No; I do not think so many; perhaps two at the outside.

348. How many hands does a paper like the *Tuapeka Times* employ?—Perhaps they have three in addition to the member of our society. Perhaps there are apprentices pretty well advanced. I really do not think it would affect them to any extent; I do not think it would affect them at all. If you were to look at the question as one of their going under or living, I do not think any paper in the colony would go under from the fact of these supplements being kept out.

349. Why do they have them? If it is not necessary to have them they are expending their money in vain?—I believe that many of these country papers get a supplement from the other side that previously got one from Dunedin or elsewhere in the colony. If I mistake not, the *Cromwell Argus* used to have one from Dunedin, but I do not know so absolutely. I do not think the imported supplement enables them to live.

FRIDAY, 22ND FEBRUARY, 1895.

(10.) DOUGLAS HARRIS HASTINGS examined.

350. *The Chairman.*] What are you, Mr. Hastings?—I am an advertising contractor, and I deal also in stereotypes.

351. You are in business in Dunedin?—Yes.

352. Have you been long engaged in the business of importing stereos?—Yes; I have been engaged in it for a few years.

353. How long?—About three or four years.

354. Then, the importation of stereo matter is a part of your business, and you have been engaged in that particular part of your business for three or four years?—Yes.

355. I presume that you waited upon us on matters relating to the tariff, with a view of making some complaint or suggestion?—I understand that the typographical associations in the different parts of the colony are waiting on the Commission with a view of having a duty put on stereo; and, as one, if not the principal importer of it in New Zealand, I should like to give my views to the Commission. My reason is this: I deal with a large number of country papers, and if it were not for the stereos they could not exist. If you shut up these country papers, it will, again, have the effect of completely flooding the market with compositors. You will reduce the area of employment to compositors very much. I do not think there is much more to be said. That is the view I want to represent.

356. Is there any other matter you wish to bring before us?—No.

357. First of all, is it or is it not possible for these stereos to be prepared from matter set up in New Zealand?—No. It is utterly impossible to put them in at a payable price.

358. Do you know anything about what is being done in the City of Dunedin? Have you any acquaintance with what is being done in the *Otago Daily Times* Office?—The *Times* have their own stereo machine for their own purpose.

359. Do you know, as a matter of fact, whether the *Daily Times* supplies stereo matter to any papers in the colony?—As far as I know, it does not. The only firm I know in the colony which does that is McKee and Gamble, of Wellington.

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* On inquiry from a fairly reliable outside source I learn the *Otago Daily Times* does not print country supplements.

360. You do not know, as a matter of fact, that the *Otago Daily Times* supplies stereo matter to papers in New Zealand?—I do not know. It is the first I have heard of it.

361. Then, what about the *Star?*—The *Star* does not supply stereo. They print supplements for country papers. Mills, Dick, and Co., and the *Star* do that.

362. But they supply matter printed from stereo?—No; they supply supplements, and put an imprint on them. I do not really think the *Times* supplies anybody with stereos.

363. Does the *Star?*—No; it has no stereo plant at all. They supply printed matter. They supply supplements to two or three papers. I think the *Tapanui Courier* is one. I think the *Tuapeka Times* gets them.

364. Well, McKee and Gamble, of Wellington, do prepare these stereos and send them out?—I only got a telegram from them yesterday, saying they will have to give up an order unless it is imported. They have failed to supply them at a payable price.

365. Supposing a prohibitive duty were imposed, so that stereo matter could not be obtained by country papers, you say it would throw a number of men out of employment?—It would practically shut up some of the country papers. They could not exist without stereo.

366. Do you mean to say the papers could not be published without these supplementary sheets?—Supposing a paper employs a compositor and three or four boys: if you stop the stereo supply, the proprietor of that paper could not supply wages for two other men.

367. Is not the position this: that a country paper exists by a certain number of subscribers and a certain amount of advertising; but, if the proprietors can get stereo matter cheaply, they will obtain it with a view of giving their subscribers a little more reading-matter?—I know of a paper—it is a paper in Mr. Mackenzie's district—which has written to me and told me that if I cannot continue to supply them with stereo they will have to stop publishing.

368. I thought your remark a little too sweeping, that all country papers would have to shut up?—I did not say all. Up to lately we supplied your own paper with stereo.

369. What you mean to say is that there are certain country papers that would cease to exist if they could not use stereo matter?—Yes, that is so.

370. Then, of course, in respect of the newspapers that did cease to exist, the compositors on those papers would lose their employment?—Yes; and I cannot see what advantage it would be to the compositor to put on a duty. You cannot make stereo here at a payable price. The demand is not sufficient.

371. Your impression is that stereos can only be supplied from outside?—Yes. I can supply papers at 1s. 6d. a column, and they cannot beat that anywhere.

372. Is it not a fact that these stereos have an itinerary—that is to say, that, if you supply them to one newspaper, they send on to another, and that one to the next?—That is so, and that is where you get your profit.

373. And the result of that has been such an amount of trouble that a number of newspapers have dropped the use of it?—That is so.

374. And, as a further result, is not the use of stereo matter dropping out?—Yes, for this reason: that the stereo business in New Zealand is badly managed. The trouble involved has been the cause of a great number of papers discontinuing the use of stereo.

375. So that, as a matter of fact, it is not extending in New Zealand?—The first-class country papers are dropping it, and the second- and third-class papers are taking it on. The first-class papers cannot be bothered with sending the stereos on from one to another.

376. Then, it is only very small papers that use it, which largely employ boys and improvers?—Yes. If you put a duty on stereos, it would throw twenty-five compositors on the New Zealand market, and that would be a very bad thing for the trade as it is now. You would throw twenty-five men out of work.

377. Now, you have said you do not think they could produce stereos in New Zealand. Of course the matter of forming stereo can be carried out as well in New Zealand as elsewhere?—Yes; the mere mechanical operation can be done. They cannot make them under 5s.

378. If you had the command of the whole of these country papers in New Zealand it would probably pay them to make it?—No; there is not sufficient demand in New Zealand to support an industry of the kind in the colony. It is only yesterday that I heard from McKee and Gamble about the whole thing.

379. Then, your whole business here is to protest against the imposition of a duty?—It is not a personal matter with me. As far as stopping the stereo is concerned, I may say that I make very little out of it. But, so far as my knowledge goes, you will be doing an injustice to compositors.

380. Your object here is to represent that, if a duty is imposed, it will, you believe, have the effect of throwing twenty-five men out of employment?—Yes; I believe it will.

381. *Mr. Tanner.*] Are there any printed supplements imported into the colony?—Yes.

382. Any large number?—A very large number.

383. Where do they generally come to?—To country papers.

384. Are papers half printed outside, and with a little printing made to do duty here?—They import supplements from Gordon and Gotch and others, and they simply put the imprint the Act provides for when it comes here.

385. Then the newspaper is half constructed in another colony?—Yes. This is an inset, sent out with the papers which receive it.

386. Can you give us any idea as to how many newspapers in the colony use printed supplements and papers that are half printed outside the colony?—I cannot say for the colony; but as regards Otago you might safely say that half the country papers import supplements. I cannot speak for the whole colony.

387. Have you any knowledge of sheets being introduced into the colony which are printed on one side only, and the remaining two pages left white to be filled up with local matter?—I have

knowledge of a full page, one side with advertisements and the rest reading matter, and the remainder is filled up in New Zealand.

388. How many papers use that?—To my own personal knowledge I know one—a paper printed in Southern Otago.

389. But the importation of printed supplements is large?—Very large.

390. It is not confined to this Island?—No; I know one paper in the Wairarapa that uses these supplements.

391. Is the importation of printed stuff like this likely to increase employment to compositors?—That is a little outside my business; but, from my own point of view, if you stop the printed supplements it will seriously interfere with those papers which are now taking them.

392. Is it not possible to set type in the colony as cheaply as outside?—There are Mills, Dick, and Co. and the *Star* competing against Melbourne, and Melbourne firms undersell them.

393. How is it done?—Gordon and Gotch are competing against Mills, Dick, and Co. The Melbourne firm will probably be supplying thirty or forty country papers in Victoria, and the matter sent over to New Zealand is sent over to us when it is done with there.

394. Is there any reason why these printed supplements cannot be printed in New Zealand and supplied as cheaply as imported supplements?—None, if you can guarantee that all the country papers will take them.

395. Has any attempt been made on a large scale to print these supplements?—Mills, Dick, and Co. are the only ones here who have done it, so far as I know.

396. You acknowledge that stereo matter can be prepared here?—At a price.

397. How would you account for its being dearer here than elsewhere?—Elsewhere stereo is supplied to hundreds of newspapers instead of thirty or forty. They will pay as much as £500 for a tale in order to stereotype it.

398. You mean that the setting-up of the type is practically the only cost, and the larger the number of papers they get to take the stereo the more likely are they to make a profit?—Yes; the cost of setting is the principal cost.

399. Considering the large number of lads now learning the printing-trade, how does this augur for their employment hereafter?—If you stop stereo they will not have employment. Country papers cannot afford to pay Association wages. Without subscriptions and advertisements it is utterly impossible for them to live.

400. Can you give us any idea of the number of papers that would be squeezed out of existence?—Roughly speaking, fifteen; which would throw twenty-five men out of employment.

401. Would that be a calamity to the colony?—It would be to the men thrown out of work.

402. But, supposing the stereo to be done in the towns, would there not be an opening in that direction?—No; it would not give employment to another man in town. I am not prepared to argue that it is an advantage to have so many country papers, but the fact is they are employing men.

403. *Mr. Mackenzie.*] What is stereo?—They set up type, and transfer it to a matrix of papier-maché, and from that the type is reproduced in metal. When they set type once they get fifty or sixty copies of it at a nominal cost. You can keep on reproducing this type at a nominal cost. I have a contract for stereos with the *Free Press*, and in that contract I am not to supply the *Leader* from the fact that it would not be news.

404. *Mr. Hutchison.*] The *Leader* is only distinguished from the *Free Press* by not using stereos?—It does not use stereos, but used to import supplements. I could not say whether it does so now.

405. You do not import supplements?—No.

406. And would not the supplement answer all the purposes of the stereo?—No, it would not, for a reason you can understand. You can make up stereo to a column or half a column, and they can use half a column. The stereo goes into the paper; but, as to a supplement, you have to get it in one sheet. They can import the supplements cheaper even than a stereo if they want a supplement.

407. How can Mills, Dick, and Co. compete with the *Star* in printing supplements?—They simply have a contract for supplying these supplements. Mills, Dick, and Co.'s is notoriously a boy-shop, while the *Star* has to pay the standard wages, and Mills, Dick, and Co. pay the lowest in town.

408. But the fact of the *Star* once having set up the matter would make it cheaper than boys' labour?—No. The original cost is not so much to Mills, Dick, and Co. If Mills, Dick, and Co. can set up for sixpence per 1,000 ens what it costs the *Star* a shilling per 1,000 ens to set up, Mills, Dick, and Co. can compete against the *Star*. Probably Mills, Dick, and Co. would get it done for about eightpence.

409. And your opinion is quite clear and decided that without stereos a number of country papers could not exist?—I am perfectly certain of that.

410. *The Chairman.*] Now, as between the stereos and supplements, the stereos, as a matter of course, are prepared in columns. Is it not a fact that they are used on the back page generally?—That is generally so.

411. And is it not a fact that advertisers will insist on their advertisements being placed somewhere else than on the fourth page? Do you not know, as a matter of fact, that a newspaper advertiser will insist upon his advertisement being on the inside of the paper if he can, and that no advertiser will consent to go on the fourth page if he can help it? Is it not a matter of difficulty with the proprietor to fill up the fourth page?—Yes.

412. Then, with regard to country papers, it is convenient to them to be able to get stereos, and it enables them to supply their readers with a certain amount of reading-matter, which they could not otherwise get?—Yes. They guarantee to put advertisements side by side with reading-matter, and they put them with the stereos.

413. Now, then, with regard to these third- and fourth-class country papers you speak of, where boy-labour is principally employed, would it or would it not be possible for their proprietors to set up the matter at tariff rates?—They could not do it.

414. Then, the effect of using the stereos is, in a number of instances, to give so much additional reading-matter which people would never otherwise see?—That is the effect.

415. And, so far as the compositor is concerned, his position is not interfered with? If the country paper continues to exist, and to employ so many compositors, the compositor is in the same position this year as last; but, if the paper cannot exist, simply because it has not stereo matter, then these compositors are thrown out of employment?—Yes.

416. Then, so far as regards country papers, there are a number which would live without stereos?—The poorer class of newspapers could not live.

417. It simply comes down to the minority, and that minority employs about twenty-five hands?—I think there are twenty-five compositors who probably belong to the Association who would be thrown out of work.

418. Then, the other thing I want to get at is this: The cost of the stereos is really divided, by the person who has the stereo matter for sale, practically, by the number of papers he supplies?—That is so.

419. That is to say, for the sake of example, if the cost of setting came to £5, and you had only one paper to supply, you would have to charge that paper £5; but, if you supplied five newspapers, you could afford to supply each of them at £1 *plus* the cost of producing the stereo?—Yes.

420. Then, what is to prevent the stereos being prepared in the colony?—There is no stereo made in Australia even. It is made in America.

421. What is to prevent the stereo being made in New Zealand, if you have a sufficient number of customers?—Nothing at all. But one firm has tried it, and cannot make it pay.

422. Then, if the cost of first setting is distributed over ten or twelve papers, and therefore at a cost of one-tenth or one-twelfth of the original cost of setting up, even then you say there is not sufficient demand to enable it to pay in New Zealand?—In the countries in which stereos are produced they are split up into five hundred divisions of the original cost.

423. But, supposing that originally the cost of the composition was £5, and supposing you divide that by twenty, that would bring each contribution down to a sum not worth taking into account?—Supposing McKee and Gamble got the whole of the newspaper trade, they could not supply newspapers at a payable price and compete with America.

424. Even with the whole field of New Zealand, it does not pay to produce stereos?—That is so. If we were guaranteed the whole trade, the American market would swamp us.

425. If a number of newspapers have given stereos up, is there any very serious difficulty in the whole thing?—There is a difficulty as regards third-class and fourth-class papers. There is nothing in the thing for anybody, so far as money is concerned.

(11.) Deputation of Fruit-growers.

The Hon. W. J. M. Larnach, C.M.G., M.H.R., introduced a deputation of fruit-growers from central Otago, consisting of Messrs. M. E. Manuel, Joseph Tamblyn, John Bennett, Henry Bloxham, John Moody, A. Birch, and A. Lorie.

Hon. Mr. Larnach: Mr. Chairman and gentlemen, my object in troubling you this morning is to introduce to you a deputation of fruit-growers from a portion of my electorate—the Roxburgh and Coal Creek districts—and I believe that if the gentlemen are allowed, they will individually explain their views and their grievances in connection with their industry, and particularly with a proposal that has been made by the Hon. the Colonial Treasurer of this colony, while recently in Tasmania in entering into an arrangement with the Premier of South Australia. Now, gentlemen, it is fair to me and to them that I should state that, while I consider it my duty to introduce this deputation from my electorate, and to ask you to hear them, I also think it a duty to myself to state that I am quite in accord with the arrangement the Hon. Mr. Ward has entered into; and, while it may be the wish of this deputation from portions of my electorate that I should agree with them in opposing this scheme of Mr. Ward's, I wish to say that I would do nothing of the kind. I think it would be a mistake on my part to do so, as a representative of the people and the colony, apart from Tuapeka electorate—that I should oppose anything that I believe to be in the interests of the colony as a whole—as I believe that the Hon. Mr. Ward has taken a very wise step in laying the foundation of what may ultimately grow to be a reciprocal treaty with the whole of the Australasian Colonies. Therefore, with these few remarks, I will leave my friends here to state their own views and their grievances, and I shall be glad to help them to do so; but they must also understand that while I am their representative I intend, during the time I have the honour of representing them, to exercise my own opinions and my own views as a representative of the colony where its interests may be affected. At the same time, I shall always be very anxious to do anything I can to forward the development and progress of the electorate of Tuapeka where its interests do not clash with those of the colony. These are the gentlemen, Mr. Chairman, who have been good enough to come to wait upon you, and perhaps some of them would like to express their feelings in respect to the arrangement by Mr. Ward. That is really their chief grievance at present. They think the arrangement is going to stop their progress and injure the fruit-growing industry in their districts. I am of a different opinion.

426. *Mr. Tanner.*] We understand that you consider it a matter of duty and courtesy to introduce this deputation, although disagreeing with their views?

Hon. Mr. Larnach: Yes. I gather from communications with them that they are entirely opposed to the arrangement made by the Hon. Mr. Ward. I wish to say, as far as I am concerned, I heartily agree with it, as I look upon it as the first step in a very important direction in the interests of this colony.

Mr. Tanner: We can perfectly understand your position, Mr. Larnach.

427. *The Chairman.*] Then, which one of the deputation shall we take as spokesman?

Mr. Lorie: Mr. Manuel will first give evidence. I may inform the Commission that I am legal manager of the Teviot and Alexandra Fruit-growing Company, of which the members of the deputation are directors, attending on behalf of the fruit-growers of central Otago. There are no fruit-growers outside the company.

(**12.**) Moses Edwin Manuel examined.

428. *The Chairman.*] You are a fruit-grower in central Otago?—Yes.

429. And a member of the Teviot and Alexandra Fruit-growing Company, and a director?—Yes.

430. You appear with the other gentlemen before the Commission for the purpose of urging certain views with regard to the tariff?—Yes.

431. Will you kindly state what those views are?—The fruit-growing industry in central Otago is about twenty-four years old. In the summer time the creeks which give the miners their supply of water become dry, and the miners have to turn their attention to some other occupation. In the early days the squatters would not allow us to have any land, but afterwards we acquired acre by acre, and kept adding until we got good-sized orchards. We have been continually increasing the size of our orchards, and have been getting trees from all parts of the world, and we have spared no expense with a view to making this industry, if possible, profitable. We find we have no railway-communication except by Lawrence and Heriot. Heriot suits us best, because it is nearer than Lawrence, and the railway could be constructed to Moa Flat and Roxburgh for not a great deal of money, and this would open up and give us a market such as fruit-growers have in other parts of the colony. We have been asking Parliament to get this railway extended from Heriot to Roxburgh, and they promised to get it surveyed and the cost ascertained, so as to see whether it could be done. Our fruit industry, of course, is hampered by the long distances we have to take our fruit by wagon. It is fully forty miles to the Lawrence Railway-station, and very nearly the same distance to Heriot. The Otago Central is a great deal farther still. If the Heriot line were made as a railway it would go straight to Roxburgh, which is three or four miles from us.

432. We are not in a position to deal with the question of railway-communication, except as a side-issue, but we will take a note of the point?—Well, sir, I may say that our fruit industry, if we get what I consider to be fair-play, is the nucleus of a very large and profitable industry, because our country is admirably adapted for the growing of fruit; and our grievances are that our market is swamped with foreign fruit.

433. Before we come to that, will you please show, by map, the position of the various places?—I have a small map with me which shows them, and also the route of the railway from Heriot to Roxburgh. There is a large quantity of land that is available for fruit-culture besides what we have already cultivated.

434. What extent?—We have more than 100 acres in the aggregate between us planted with fruit-trees in full bearing.

435. Give us about the boundaries of this district adapted to the cultivation of fruit.

Hon. Mr. Larnach: It is unlimited, I should say. You can take it from Lawrence at the one end to Matakanui (known as Tinker's). You might take the valley of the Molyneux from Lawrence up to Queenstown, and to the source of the Molyneux. Mr. Mackenzie will understand the whole thing.

436. *The Chairman.*] What would be the total area comprised in the district described?—200 square miles.

437. Within that district, what classes of fruits can you raise?—All kinds, except the orange and lemon kinds. All stone fruits, apples, pears, nuts, chestnuts; in fact, all the fruits grown in temperate climates. The thermometer has registered fully 80° in the shade for the last week or two. We can grow grapes in the open air, but I have two greenhouses. All kinds of grapes can be grown, and tomatoes also.

438. Now, that is sufficient information as regards the area and also as to the kinds of fruit you can grow. Now, next as to quality?—The quality of our fruit can easily be tested if you will go to the fruit stores. Some arrives almost every day. I suggested to some of my friends that we should bring some of our fruit here, but they said it would look like a sort of a bribe. The fruit grown in central Otago is unsurpassed by any in the world, for size, flavour, and quality—San Francisco or anywhere else.

439. Now, next as to the yield?—We could not possibly say about this year's yield, but last year 350 tons of fruit were grown in the Teviot district—south of Clyde, and between that and Lawrence—and sent away from the place; besides local consumption. This does not embrace the fruit at Cromwell.

440. Is it grown by yourselves?—Yes; and sent for sale by the Fruit-growers' Association to the Dunedin market.

441. That does not represent the total amount grown?—No.

442. You could grow any amount more?—Yes, if we had encouragement.

443. Supposing you were given a good and payable market, could you not supply all the trade in New Zealand?—Yes, and can and dry also.

444. Then, you could supply an unlimited demand with a first-class quality of fruit?—Yes; that is, with the exception of lemons and oranges.

445. Now, in order to extend the development of your trade and industry, what are the conditions required?—There is another matter I have not touched upon yet—that is, the matter of insect-pests. The imported fruit when brought into this country is very often covered with insect-pest and fungoid diseases, and these diseases are spread broadcast, and get into our orchards. Last year it cost me £7 10s. for a spray-pump, and then I had to buy several hundred pounds of sulphur to get rid of scaly blight.

446. You get all these troubles brought in by imported fruit?—They are imported, and continually imported. If experts were to examine importations they would not find a single case in which there is not a pest of some kind. The imported fruit lays that task upon fruit-growers. We have to combat these diseases, and the task of destroying them, if possible, is continually thrown upon us by the imported fruit. We are handicapped in every way. We cannot send a single case of fruit to the other colonies without paying duty.

447. You live a long way up in the interior. You grow all the fruit you possibly want, and are trying to live by growing fruit there. Do you get imported fruit up there?—Hawkers who come about selling wares of all kinds go into stores and buy fruit and sell a shilling's worth here and there. A few years ago we had a man named Lewis. He used to make continual visits to the district, and he would bring up imported fruit and sell it broadcast over our district. These hawkers find customers coming along the road, because all the people there are not fruit-growers. That is the way in which disease is spread amongst our orchards.

448. You probably have something to say with regard to the condition of the tariff as affecting your industry: will you state what that is?—The tariff at the present time is ½d. per pound. I think we ought to have another ½d. added. We ask that the duty on imported fruit should be increased to 1d. At the present time the cost of bringing fruit from Hobart to this place, with ½d. added, is actually less than the cost of our fruit in transit from Roxburgh to Dunedin. Fruit at the present time from Hobart, with ½d. added, can be placed in the Dunedin market at a less cost than we can place it there, after paying the charges.

449. The difference, you think, would be compensated by ½d.?—Yes.

450. At what amount per pound can you grow fruit for and sell it in Dunedin?—I got to-day or yesterday from our agent, for plums I sent down, 1½d. and 1¾d. per pound, and for greenhouse grapes I got the magnificent sum of 5½d. per pound. There is £1 per ton carriage by rail, and there is the expense of horse-wagons, shoeing, feed, hotel-bills, &c.: all this has to be deducted.

451. Did you make a calculation of what it cost per ton?—The cost by road and rail is £3 per ton—rather more than less—from the orchard to Dunedin. From Alexandra it costs more.

Hon. Mr. Larnach: It would be more correct to say that the cost from Roxburgh to Dunedin will be £3 10s. per ton, and from Alexandra about £5 10s. per ton. The opinion of my friends from Alexandra, whose interests I would like to protect, is, that the cost would be £2 extra per ton from Alexandra to Dunedin. I should like to take theirs as a separate case.

452. *The Chairman.*] Then, the cost from Roxburgh to Dunedin is £3 10s. per ton, and you say the market price of plums is about 1½d. per pound?—The best of plums are now bringing 1½d.; 25 per cent. of the weight is in cases.

453. Do you count that as not being a payable price? You get £10 10s. for the fruit you send down at a cost of £3 10s.?—There is the cost of labour and other charges to be taken into consideration. The culture of fruit requires a great deal more labour than the culture of any other product. In my own orchard I had about twelve hands employed for months last season.

454. What is the extent of your orchard?—About 10 acres are planted in fruit-trees, and a great deal of it is not planted yet. I expect to plant at least another 10 acres.

455. Do you mean to say you employ twelve hands all the year round?—No; but some hands are always required to keep the place clear of weeds, &c.

456. As a matter of fact, can you always get a market in Dunedin for all the fruit you produce?—No; we are sending to Wellington, Christchurch, and elsewhere.

457. Is it because the local market is not able to absorb the quantity you grow?—It is because the market is glutted with fruit from the other side.

458. Supposing there was none of the fruit you grow imported from the other side, would what you grow be in excess of the demand in Dunedin?—Yes. We could increase the size of our orchards.

459. Then, you could more than supply the demands of this city yourselves?—Last year we had to send away thousands of cases to the north.

460. You cannot get a remunerative market here because it is swamped with imported fruit?—Yes.

461. Is the imported fruit of as good a quality as the fruit you grow?—That is a matter of opinion. I am a biassed expert, and my evidence would be one-sided evidence. I do not want to say anything that will not bear investigation by the light of day. It stands to reason that fruit which is allowed to mature on the tree, and which is conveyed to market in twenty-four hours, is a superior article to fruit plucked green, conveyed to the steamer, and then four days at sea before reaching its destination.

462. Your fruit is gathered ripe?—Yes.

463. And Tasmanian fruit must be gathered before it is ripe, and ripened at sea?—Yes.

464. Then, it follows that fruit grown here is superior to imported fruit?—Yes. If you will look in at the windows you will see fruit called Teviot fruit which is not Teviot fruit at all. In one window I saw a lot of pears marked "Teviot" that I am certain were not grown at Teviot. They know the superiority of the Teviot fruit, and that is why what is not Teviot-grown is called "Teviot."

465. You say that if the duty were increased by ½d. per pound you would then command the market, and this other fruit would be swamped out?—We should have the market to ourselves. Our orchards would be extended, and the money which is now sent to Tasmania would be spent here, and employment would be given to thousands more people. For these reasons we want ½d. added.

466. *Mr. Tanner.*] You say you cannot send your fruit to Australia on account of the heavy duty imposed there?—That is so.

467. What is the amount of the duty there?—I cannot tell exactly. It is prohibitory, considering the distance we have first of all to send it to Dunedin and then ship it.

468. A reason you gave a few minutes ago why you did not export fruit was because of the heavy duty in Australia?—Yes; and all these other things have to be added.

Mr. Mackenzie: It is 1s. 6d. a bushel landed in Victoria; that is the duty there—3d. per pound in Victoria.

469. *Mr. Tanner.*] You talked about extending your orchards. Where would you get your fruit-trees?—We produce them ourselves. Last year I sent to Auckland for some.

470. Did you receive them?—Yes.

471. Were they Auckland grown?—Some were from England, San Francisco, and the Continent of Europe. They were grafted on imported stocks, which might have come from anywhere.

472. The seller did not guarantee that the trees were raised entirely in Auckland?—Yes; his own handiwork.

473. He did not guarantee that the stocks were raised there?—Yes; he grafted them.

474. Do you know anything of large quantities of young Australian trees being imported into this colony and sold?—I bought a lot myself last year, knowing they were raised in Australia. I took particular care to rub them well, and carefully examined every twig and root. I bought those trees simply because I could not get the varieties here that I wanted.

475. Are you aware that several thousands of Australian trees were sold last year in the Wairarapa?—They might have been. Those I got from Auckland were not Australian.

476. Now, you say the hawkers sell fruit in your district which you assume to be imported?—I am certain it is imported.

477. Do you give that as the reason why fruit-pests and fungoid diseases are prevalent there?—Yes; it is something like scabby sheep put amongst clean sheep. I know this fruit is from Tasmania by the brands on the cases.

478. You also state that you bought young trees from Australia, knowing them to be Australian raised?—Yes.

479. Is the young tree as likely to carry the germs of disease as imported fruit?—I would prohibit the importation of all fruit and trees unless they were first examined by an expert.

480. Would it pay to examine them?—I think it would. I would be in favour of prohibiting the importation of fruit-trees from Australia altogether.

481. Would you prohibit them from everywhere, and have total prohibition?—Yes, total prohibition.

482. *Mr. Mackenzie.*] Do you not think it would be better to provide that all trees should be quarantined in some nurseries?—I may say, in connection with that, that at the time the pest threatened the vines so much it was suggested that an island, away off Auckland, should be selected as a quarantine ground, and that the imported trees should be kept there long enough to discover whether it was possible for any pests or germs to develop. That system would very likely be effective.

483. In asking for an increased duty, have you considered the quantity of fruit that is now imported from Australia?—I could not tell you, because there are so many who import fruit.

484. Do you know that 2,800,000lb. of fruit were imported last year, of the value of £25,000?—There is not the slightest occasion to be afraid of our industry not overtaking the demand.

485. We are not questioning the fact of your capacity; but that quantity of fruit came from Australia last year, not including the fruit coming from the islands. You say that an additional ½d. should be placed on imported fruit of all sorts. Are you aware that in the North Island, during the winter months, they import large quantities of bananas and tropical-island fruits? Would you not approve importing those free?—I do not know the North Island. Possibly there is a climate and soil there that would produce fruits as good as those coming from Fiji.

486. It is quite impossible to do so?—Then, they should not place a duty on those fruits, but only on all the imported fruits that can be grown in New Zealand.

487. When you say an increased duty on all fruits, if we legislate in that direction, it includes bananas, pineapples, and other fruits we cannot grow here?—If an enterprising man were to put up 50 or 100 acres of greenhouses, he might supply the market. The Government are a paternal and good Government, and are trying their very best to help the people of New Zealand in various ways. They have engaged Mr. Blackmore, an expert, who has paid visits to our district, examined all our trees, and told us with what diseases they are infected. This is a step in the right direction, and the Government are quite willing to do everything so that our orchards can be kept clean and our industry fostered; but it is absolutely impossible to do this whilst the competition exists against imported fruit.

488. You said something about fruit being marked "Teviot" that is not "Teviot"?—Yes.

489. You would favour such an alteration as would compel people to put a proper mark on the fruit they sell?—Yes; but it is not an individual's place to act as an informer. I would not do it. You will see that what I state is quite correct.

490. Then, if you were a dairy farmer, and saw a dozen kegs of rotten butter shipped to the London market, you would say nothing about it?—It is not my duty to inform; the authorities ought to do that.

491. But the authorities cannot tell, without your expert knowledge?—Well, they ought to have the knowledge. They have no business to depend on individuals.

492. How much does it cost per ton to grow fruit?—That I could not tell. I will tell you why: Some years we get a first-class crop—then it would not cost as much. We could not tell the average unless we went elaborately into our returns.

493. Would you not keep your ordinary expenses for the year and the receipts you got? Could you not put down everything on both sides, and find out?—Yes.

494. If you did that it would be useful information, would it not?—It is a very difficult thing to answer.

495. How many farmers are there employed just now in fruit-growing?—There are about thirty-five fruit-growers in Teviot, and about twelve in the Alexandra district—that is, those who make their living by fruit-growing—but there are others who combine it with mining and other pursuits.

496. Do you know what is the freight on fruit from Hobart to here?—1s. 3d. a case.
497. How many cases to the ton?—Plums, about 50lb. net to the case.
498. Have you ever used the Rotorua sulphur on your trees?—I suppose it came from Rotorua.
499. Regarding lemons and oranges, you have attempted to grow oranges?—Yes, but never lemons. I have attempted to grow oranges in the greenhouse, but never in the open air. Plenty of others attempted to do the same, but the frost killed the plants.
500. Have you tried prunes?—Yes, but we never dried them.
501. Have you thought of developing your industry to the extent of preserving them like imported prunes?—Yes.
502. Do you think the protection on prunes just now sufficient, or would you ask more?—I think it is a very fair duty on prunes. I think the present duty on dried fruit quite sufficient.
503. Have you ever tried the cultivation of olives?—No. I never read up the life-history of an olive-tree to enable me to give you any information about it.
504. You are anxious to see the railway pushed on from Heriot to Roxburgh?—Yes.
505. Would it be a costly work after it goes through the Spylaw?—I do not think so.
506. The greater part of the road goes through Moa Flat Station?—Yes.
507. The proper thing to do would be to buy the land and then make the railway?—Yes. I believe the railway could be made very cheaply.
508. *Mr. McGowan.*] You have stated, and I believe it is a fact, that the fruit grown in this district is of very excellent quality; and you are not afraid of either Tasmanian or even Californian fruit, provided you were placed in the same position as to a market?—That is it.
509. And the difficulty of duty, according to that statement, is not so great a difficulty as the distance of the grower from the market?—Yes.
510. Would there be any other traffic but the fruit traffic, supposing you had railway connection between Heriot and Roxburgh?—There are a thousand or two of people located there, with their families. There are hundreds of thousands of acres of good land available for settlement. There is coal there. There are all the facilities for settlement, and the amount of land held in large areas is enormous.
511. Have you attempted the tinning or preserving of fruit?—Only as jam for local use about the place. I have seen some beautiful canned fruit, but I never do it. I have seen beautiful apricots, peaches, plums, and pears canned there.
512. And the market for which is?—Our local market. They would be handicapped with other colonies' tariffs, which would prevent their canning more than they do.
513. Have you in that district attempted the drying of fruit to any degree?—Not yet. I myself have not, possibly others have; but we could dry it, if necessary.
514. Do you know that the industry of fruit-drying is already established in New Zealand?—I do not know. It may be on a small scale, but I do not know that such is the case, except it is up North.
515. If the duty that you suggest were added to the fruits that you are prepared to grow, I suppose you are willing to admit it would increase the price of fruit to the consumer?—No; we would immediately extend our orchards to such an extent that our local markets would be supplied.
516. If you received 1¾d. for fruit, and another ½d. were added to the duty, do you mean to say the seller would sell at the same price?—Possibly not for a year or two.
517. If you had an additional duty on fruit, would you not by that action increase the price of fruit to the consumer?—No. Apparently it would, but really it would not, because there is a great deal of fruit at the present time that rots and goes to waste. Scores and scores of tons rot every year. If fruit-growers were sure of a market at a trifle more they would send this fruit to market.
518. Your statement is simply this: that, with regard to fruit which they now think not worth while sending to market, by the addition of another ½d. duty per pound, they would send that fruit to market, and be able to sell it?—Very likely.
519. The people would then be obliged to buy the inferior fruit?—No; not inferior fruit. At present one-half the market is closed, because interested people can get foreign fruit. If you put on the extra duty, this company is willing to enter into a bond, and guarantee that the price of fruit shall not be increased. All we want is the market.
520. *Mr. Stevens.*] Do you want ½d. additional on all kinds of fruit?—Yes; all we can produce. We can grow apples, pears, and peaches as well as the Tasmanians, provided we get encouragement to do so.
521. Have you any idea of the quantity of fruit grown in the North Island?—No.
522. Do you not suppose, then, that if you had the exclusive right to grow fruit in this country a great number of people would have to pay either too dearly or would have to go without fruit?—I do not think so. The supply would very quickly increase; and I understand in the North Island they can grow all kinds of fruit beautifully, and might grow bananas in the extreme north; but I think that very doubtful.
523. Do you not think it necessary to put a duty on canned fruits from San Francisco and other places?—Decidedly. We have a duty which I think quite sufficient.
524. Do you not think that the canned fruit comes more directly into competition with you than the green fruit?—No. The green fruit is used by all classes and descriptions of people in its fresh state. The canned fruit is not available for poor people, like the green fruit.
525. Have you ever thought of trying the experiment of exporting fruit to England?—No; but the steamship companies charge too much for freight.
526. Supposing you could get a reasonable freight Home, could you export fruit successfully from here?—Yes, decidedly, with cool-chambers and other facilities. I have been told, and believe it to be true, that hundreds of thousands of tons of fruit are exported from San Francisco to the eastern States of America, to Europe, and Great Britain.

527. You say you can grow grapes or any other kind of fruit successfully in your district?—Yes.

528. Could you grow grapes in sufficient quantity for wine-making purposes?—I believe we could, but we have never tried. I believe we could if the industry were started, because I have seen lovely vines growing outside, and I have grown them myself.

529. At how much per ton do you think you could produce the grapes?—I have no idea. I never went so extensively into it. I got only 5½d. a pound for greenhouse grapes. There are so many greenhouses that everybody is growing grapes; so that you can buy New Zealand greenhouse grapes cheaper than Adelaide grapes.

530. Could you produce, as in Adelaide, grapes for anything like £1 10s. a ton?—I do not think so. We have never tried to grow them by the ton, but I believe we could do so.

531. *Mr. Hutchison.*] I have understood you to say that it does not pay you to grow fruit in consequence of the charges?—We have to grow it; we must live.

532. I understood Mr. Lorie to say you do not seek to increase the price. Then, why are you here if you are not wanting to increase the price to the consumer?—We have to live, and are not getting room to sell what we produce.

533. You do not get a remunerative price for your fruit?—That is a matter of opinion.

534. Is it necessary to make any change in order to let the fruit-growers get a remunerative trade?—It is necessary for the fruit-growers to get an increase in the trade.

535. Why is it necessary?—It is necessary, because at the present time the local markets are glutted with imported fruit, and that imported fruit is infested with fungi and pests which we fruit-growers have to combat; and, if that duty was imposed on imported fruit, the local fruit would get such an impetus in production that in a very short time there would be far larger quantities of fruit grown, and the market would be fully supplied.

536. Did you not say at one time to-day that for a few years at least you would get a higher price for your supplies of fruit?—That might be the case for a year or two, until increased culture overtook the demand.

537. Are you aware that the imported fruit can be brought into market a fortnight earlier than our fruit?—I know perfectly well it cannot, because, if we have the same variety of trees, we can produce the fruit in less than a week after the imported fruit. It depends on the weather. If the weather in spring is warm, sometimes we get the fruit to mature a fortnight earlier. It is the same in Australia and Tasmania.

538. But you do say that the imported fruit may be a week earlier?—Yes. It depends on the weather.

539. As a fact, is it not the case that a fortnight before you send fruit into the market the people from the other side send fruit in?—No. I believe our cherries come down quicker. If their supply is earlier ours lasts two weeks later on in the season.

540. Would you tell me what the grapes you got 5½d. a pound for would sell for in the Dunedin market?—I do not know, but I suppose they would sell at a profit of 1d., 2d., or 3d. The grapes are sold at from 9d. to 1s. per pound.

541. Is this Teviot and Alexandra Fruit-growers' Association a joint-stock company?—Yes.

542. Is not that itself rather apt to make the public suppose that if you had the whole market you would keep up a certain price? If you were all individual fruit-growers do you not think the public would have a better chance of getting their fruit at a fair price?—You cannot hang back for a big price. If people will not give it the fruit will perish.

543. *The Chairman.*] As a matter of fact, do you grow in central Otago plums, apricots, peaches, nectarines, apples, pears, quinces, hazel-nuts, filberts, Spanish nuts, walnuts, and grapes; do you grow all these things?—Yes.

544. You are aware that the present duty of ½d. per pound is levied on the following fruits: Apples, pears, plums, cherries, peaches, nectarines, apricots, quinces, and tomatoes (about which it is a question whether it is a fruit or a vegetable)?—Tomatoes are dutiable. I am aware of the duty on the fruits you have enumerated.

545. Do you wish to add, independently of the question of increase of duty, to the list of dutiable fruits any of those fruits which you grow and which are not enumerated in the dutiable list? Do you want a duty levied on any other fruits than those in the tariff? Do you want a duty on raspberries?—Yes.

546. On strawberries?—If they can be imported there should be a duty.

547. Is there any possibility of importing currants for jam purposes?—Yes, and they should be added to the dutiable list.

548. Is there a duty upon nuts?—Yes.

549. Can you grow figs in that district?—Yes; I have got some magnificent figs in my orchard.

550. And are there any green figs imported?—No.

551. Then, there would be no advantage in putting them on the list?—They are dutiable already as dried fruits.

552. Then, what have you to say about the proposed treaty with South Australia?—I would rather say nothing about it until the thing is ventilated. It will be threshed out in Parliament.

553. The Commissioners have nothing to do with Mr. Ward's private views as such, but any opinion you may have in regard to any proposed tariff arrangements as affecting our relations with any other colony would be perfectly acceptable in evidence. Are you prepared to say anything to the Commission on the subject?—I think I will say nothing until the thing is threshed out and properly ventilated.

554. *Mr. Tanner.*] Can you tell me if the apple produced is a central Otago apple?—I cannot tell that, and I cannot tell you the variety.

555. *The Chairman.*] Has any attention been given in your district to the drying of fruit?—Not yet, in an extensive way. I have not dried any, nor have I seen fruit dried by any one else of any consequence; but the drying of fruit can be done.

556. Have you seen anything done as regards preserving fruit?—I have seen it preserved in bottles.

557. But nothing on a large organized scale to supply the market?—No; but it has been done, and can be done.

558. There is a considerable amount of fruit that, owing to existing arrangements, goes to waste?—Yes.

559. Could you utilise that by canning or drying it?—No doubt of it.

560. Why do you not?—Mr. Blackmore is going to introduce canning and drying apparatus amongst us.

561. So far as regards the canning or drying of fruit, it cannot be said to be an experimental thing; but you have not had the experience in that particular matter, and, I presume, have not the appliances?—No. Irvine and Stevenson buy our fruit, and can it in large quantities. Given a market, we could dry fruit. Our greatest drawbacks are want of railway-communication. The Otago Central will not be of the slightest use to us, but the extension of the Heriot Railway would be of immense benefit to our district. The imported fruit is infested with all kinds of diseases and fungi, constantly spreading them throughout the country.

(13.) Joseph Tamblyn examined.

562. *The Chairman.*] You are a fruit-grower; residing where?—At Coal Creek, near Roxburgh.

563. What area have you under cultivation?—About nine acres in stone-fruit, and a little over an acre in apples.

564. Where is your market for that fruit?—Principally Dunedin.

565. Can you sell all you grow in Dunedin?—We send it to Dunedin and Invercargill. We send it also from Dunedin to Wellington and other towns. Last year a great quantity was sent to Wellington.

566. Do you find it a remunerative market? Does your industry pay?—We are getting a living at it.

567. Do you support the application made by the previous witness for an increase of duty on imported fruit to 1d.?—I do, but not for the sake of increasing the price, but for opening up a larger market.

568. What you claim is, that if the duty were increased you would secure the market for the local fruit as against the imported?—That is so.

569. You claim that the local fruit is better than the imported, because it ripens on the trees instead of on the voyage, as in the case of the imported?—I think it is better; and the factories also think it is better for jam purposes.

570. You claim to supply the market with as good a fruit, at least: you claim that the consumer would get as good an article?—As far as quality is concerned, the consumer would be the gainer.

571. Now, then, as to price: would the consumer have to pay the other ½d. a pound if the additional duty were imposed, or would the fact of your getting the market enable you to produce fruit on a larger scale, and send it down in larger quantities, so that the consumer would not have to pay more for it?—It would not be increased in price, nor do we want it increased. We will enter into an arrangement to supply factories at the same price in future as at any time gone by. I can bear out what was stated by Mr. Manuel, whose industry has been in existence for about twenty-four years. I have been a quarter of a century at it myself; and, although we have been at it for such a length of time, the industry is just in its infancy. It is only within the past five or six years that, I might say, three-fourths of the fruit-growers have entered into occupation of their respective areas; and, owing to so many trees being planted within the past four or five years, there are a lot of new trees coming into bearing, and next year I reckon it will add, at the very lowest, 50 per cent. to the production of any previous year; and, with the trees now being planted, for the next six years the increase will continue from 20 to 50 per cent. In five years, by the trees carrying more fruit, there will be more than enough fruit grown in the valley of the Molyneux, with the same trees as are now planted, to supply all New Zealand. And then we shall have to seek for a market outside in dried or canned fruit.

572. You contend you can grow as much fruit up there as New Zealand requires, of as good or better quality than the imported, and that you can supply it at the present price?—Yes; that is the case. Tasmania and Victoria can send fruit into the Wellington market as cheap as we can, and often a lot of fruit which is about to perish is sent to a sale, and sold for anything it brings; and, of course, the growers are the losers, and the consumer no gainer.

573. It has been alleged by certain fruit-growers in various parts of the country that, owing to the difference of geographical position, the summer of Tasmania is a few days earlier than the summer of New Zealand; and that the consequence is, that a given description of fruit, whichever may be the earliest in the season, comes into the New Zealand market before the New Zealand fruit of that particular description is ready. Tasmanian fruit is picked green, ripens on the voyage, and so comes into consumption. They allege that by the time your fruit—say, for example, plums or apricots—comes in to take the place of Tasmanian fruit the taste for that fruit has passed away, and they go on to the next thing; and that your next fruit in succession is also the same period behind, and so it goes on from fruit to fruit. Is that so?—That is so; and consequently their early plums come in, and fetch a good price—3d. a pound. Ours come in afterwards, when the price is reduced. Tasmania anticipates us fruit by fruit. People buy an indifferent article coming from Tasmania, and by the time ours comes into the market they want something else. That is one of the reasons why there should be a higher duty.

574. *Mr. Hutchison.*] You do not grow small fruit?—Not to any extent, because it can be grown just as well round Dunedin as in my district, and extra carriage keeps it out of the market. Apples

can be grown to perfection in my district. I believe that in the course of time an immense quantity of pears and apples will be grown on the slopes and valleys in the district.

575. It is not you yourself who send away the fruit to other markets?—Yes, we, or our agents, when Dunedin is glutted with imported fruit. It is sometimes sent away from town to town to seek for a market, until ultimately it perishes, and the grower is the loser.

576. Your agent chooses the particular market to which to send it?—Yes. If there is not an opening in Dunedin he sends it to Oamaru, Timaru, Ashburton, or Christchurch, or wherever he finds a market for it.

577. Would it not be to your interest to deal directly with the retail dealers instead of having a middleman?—Not well. We tried that for years, but we found it did not work, in many ways. I admit the middleman has the best of it; but still we cannot do without him. We cannot deal so well, directly with the retailer. We cannot well do without the middleman. Sometimes all sorts of new men spring up and say, "We will get our fruit on the cheap from the growers." They get it, sell it very cheap, and do not pay the growers for it.

578. Then, it is quite clear you do not want this additional tariff with a view to making any more money for yourselves?—We do not wish it, and I am certain it would not make any difference in the price. We are willing to enter into arrangements with factories and big consumers to supply them with fruit as heretofore. The additional duty will extend the industry.

579. What sort of agreement is this that you propose entering into, and who is going into it with you, and how is this maximum price to be fixed?—The only way is this: Take the firm of Irvine and Stephenson, for example: that firm had about 80 tons of fruit from us last year. Well, we shall be willing to enter into an agreement with them to supply them in future at the same rate.

580. But the agreement I refer to is an agreement which will prevent the public having to pay any more for the fruit than they pay now. What sort of an agreement is it you propose, because it is quite an unusual thing?—I say we are willing to enter into the agreement. If any large consumers or dealers say, "We are going to suffer from this extra duty," we will agree to supply fruit at previous rates.

581. *Mr. Tanner.*] What about small consumers?—We have nothing at all to do with the small consumers. We do not intend to increase the price.

582. *Mr. Stevens.*] One reason assigned for not imposing duty on imported special kinds of fruit is that it comes into New Zealand a fortnight earlier than it can be produced in the colony. Now, is this not a fact: that, supposing you did impose a duty on this fruit, it would only have the effect of giving you a fortnight advantage in one year, because fruit will not last for ever? Would the result not be only the difference of a fortnight in the first year? Say, that in Tasmania you get fruit on the 1st of September, and on the 14th of September you get the same kind of fruit produced in New Zealand—supposing there was no imported fruit, that fortnight would only occur in the first year, inasmuch as, although you get the New Zealand fruit a fortnight later, you still have it a fortnight later in the autumn?—Yes, that is so.

583. And one would compensate the other?—Yes. If an extra duty of ½d. were put on it is possible that Tasmania and Australia would send in early fruit. If not, people would only have to wait another fortnight and have a better article at a cheaper rate.

584. Would that article last a fortnight longer in the market?—We have fruit in the market now a fortnight after the imported fruit. The first in the market always fetches a good price. They get a good price for their early fruit, which is not so good as ours. Ours would probably have to go to the factory, whilst theirs sold for table purposes.

585. *The Chairman.*] Have you ever tried the making of raisins?—No.

586. You can grow grapes in the open air?—Yes. In the Manuherikia they grow large quantities of grapes in the open air.

587. Have you ever tried the manufacture of raisins from the grapes grown there?—No; I have never tried it.

588. Do you think you could make them?—I do not know; I have never tried. In the Manuherikia grapes grow well in the open air. Considering there is a quantity of diseased fruit being continually imported into New Zealand, and seeing the great expense and labour that we are put to in combating the various diseases, and which we fear will prove almost useless while all sorts of diseased fruit are continually being imported, we would respectfully suggest that all foreign fruit be subject to inspection on its arrival, and, if found to be in any way diseased, such fruit not to be allowed to land. We would also suggest that sulphurised fruit be placed on the same footing as pulp.

(14.) John Bennett examined.

589. *The Chairman.*] Have you anything to add to the evidence that has been given by the three previous witnesses with regard to the fruit industry?—Yes. You introduced the subject of canning fruit. There was also another matter touched upon this morning, which should also be taken very careful notice of, with regard to fruit-trees. For the sake of getting any varieties which may be propagated in any part of the world, I think it would be very desirable, if the Government could see its way clear, that a nursery should be taken in hand by the Government itself; and that any trees introduced (including all varieties known to be new and good) should be sought for and put into the Government nursery, and there dealt with under inspection until such time as the Government experts are thoroughly satisfied that no pests or diseases are attached to them. I am satisfied that such a plan would result in immense benefit to fruit-growers and to the country. I am satisfied that at the present time there are varieties of apricots, for example, grown in California which are particularly good, and which we do not now possess.

590. Your object in making this recommendation, I understand, is to prevent the New Zealand grower from being shut out from the opportunity of getting better varieties than he now possesses, and at the same time to prevent the introduction and spread of pests and diseases in fruit-trees? Whilst there should be a prohibitive duty against the importation of these things, you think the Government themselves should import them and have an experimental nursery established under an expert, and that thence they should distribute to people who wanted new varieties and clean trees?—Yes; that is what I wish.

P.S.—You have omitted to state that I had asked the Commission to keep the canning industry carefully under their consideration; and, with regard to varieties of fruit not possessed by us, I said that I was satisfied that there were varieties of peaches grown in California which we had not. I was not so sure about apricots—probably apricots, too.—J. B.

(15.) Albert Birch examined.

591. *The Chairman.*] What is the point you wish to urge in connection with the fruit industry?—I think, if the Government assist the growers, it would increase the number of growers very much. Where there are forty now there would soon be eighty. I mean that if a sufficient duty was imposed to encourage the industry we should soon have double the number of fruit-growers that there are at the present time. It is very disadvantageous for men with large families to embark in the industry under present circumstances. If they allow the importation of fruit-trees from other colonies, there should be some restriction, so that the Government could supervise them. Last year I imported various trees from Sydney, and after I planted them I discovered they were infected with disease, and consequently I had to take out a number of them and burn them.

592. You want an arboreal quarantine established, so that only good and clean trees would be sold out to growers?—Yes. What we want also is a sufficient duty to enable us to compete with the Australian growers. One penny duty on fresh fruits, pulped fruit, and sulphurised fruit would barely make us equal, owing to our great distance from any market.

(16.) Thomas Porteous Farra examined.

593. *The Chairman.*] You are in business as a tinsmith?—Yes; I am a tinsmith and japanner, carrying on business in Dunedin.

594. How long have you been connected with that business? Were you brought up to it?—Yes, since I was seventeen. I have been twenty-two years connected with the business.

595. What do you want to bring before us in connection with the interests of the business you represent?—In the first place, I might state that tinsmiths' machinery is dutiable now to the extent of 20 per cent., which I think a great hardship upon those engaged in the business.

596. You ask, then, that all machinery used in connection with your trade should be admitted free?—Yes.

597. Now, as a matter of fact, can all that machinery be made in the colony?—Not that I know of.

598. Can any of it be made in the colony?—I should think not.

599. What is the machinery that you want to get exempted from duty? Are they cutters, dies, and so on?—Presses, dies, cutting-machines, folding-machines, and a number of others.

600. Are there any of these made in the colony?—I have never heard of any of them being made in New Zealand.

601. Is there any reason why they should not be made in the colony?—I suppose the simple reason is that they cannot make them sufficiently well. We cannot get them in the colony. We import them always.

602. And you pay upon them a duty of 20 per cent.?—Yes.

603. Can any of these machines be used for any other purpose than the business they are employed in?—I do not think so.

604. You ask that they should be admitted free?—Yes.

605. What else?—Then, about this enamelled ware which is imported in opposition to our ware; it is imported from Germany and England.

606. Does that include porcelain-lined goods?—I do not think there are many of those in use. It covers both classes of goods.

607. And you ask that all these goods should bear a further duty than they now do, which is 20 per cent.?—Yes.

608. How much do you want added?—We want a 10 to 15 per cent. increase.

609. Cannot you japan these goods yourselves?—No; we do not know anything about the process.

610. Supposing a dozen people came out from England who understood the process, is there anything to prevent them making them?—They would have to go to a lot of expense as regards plant.

611. But supposing any people came out and established a factory, there is nothing to prevent the manufacture of these articles here?—I do not think so; but I do not think anybody would go to the expense.

612. Is there a sufficient consumption to justify the establishment of a factory?—I should not think so.

613. Then, you want to compel people to use the tin article when they prefer the japanned one?—We could always get enamelled ware.

614. Your argument is that you employ a certain amount of labour, and the importation of those things which cannot be made here prevents your extending that industry, and you want us to drive the trade into your channel?—That is what it comes to. I think tinsmiths' fittings should be introduced free also.

Mr. Glasgow: I think tinsmiths' fittings that are dutiable are planished block tin.

615. *The Chairman.*] Then, you want that admitted free?—Yes.

616. You want the whole of your machinery admitted free, and you want an increase on the enamelled goods from 20 up to 30 or 35 per cent., and you also want your tinsmiths' fittings entirely free?—Yes. Galvanised tubs and buckets should also bear a higher duty. They now carry 25 per cent. *ad valorem.*

617. And you want the duty raised by how much?—It would bear from 10 to 15 per cent. more, any way.

618. Why? Can they be galvanised here?—Yes; but at Home, labour and material is so cheap we cannot compete with them.

619. Then, as a matter of fact, if we were to put on this extra duty, the person who bought a bucket would have to pay that amount more for it. Supposing your wife wanted a new bucket, she would have to pay so much more for it? Is that not so?—I do not know. Competition would, I think, keep the price down.

620. Would there be a sufficient increase of trade driven into your hands to enable you to supply the goods at a lower price?—Yes; I think so.

621. *Mr. McGowan.*] You have no desire to prevent the importation of enamelled goods at all?—No.

622. What appears to have pressed upon your trade has been the introduction of late years of what is termed cheap German enamelled goods that come in at not half the English price? That is the class of goods you wish kept out?—Yes.

623. The English ware in use before the introduction of these cheap German goods, I suppose, did not affect your trade?—No.

(17.) Frederick James Lake examined.

624. *The Chairman.*] What are you, Mr. Lake?—I am a tinsmith, carrying on business in Dunedin.

625. How long have you been in business in Dunedin?—Twenty-six years.

626. What is it you wish to represent to the Commission?—The first item I desire to mention is the duty on tinsmiths' machinery; and on some of the tools lately, I am sorry to say. We have had to pay 20 per cent. on them since Mr. Ward got in. There is a technical point in connection with them: they are not hand-tools, and they are not machinery.

627. Do you want all machinery and all appliances necessary to the manufacture of tinware to be admitted free of duty?—Yes. Then, the next thing is plain galvanised iron, not corrugated. At present it pays £1 10s. a ton duty. I wish it to come in free. It is manufacturers' raw material, used for making buckets, tubs, &c. I believe that duty was placed on it because some Auckland firm said they could make the iron here. They never can make 26 or 28 gauge.

628. Then, so far as the process is concerned, do you say that the making of galvanised iron cannot be carried on here?—No. As regards the galvanising of iron, it can be done in the colony, but galvanised iron, 26 and 28 gauge, cannot be produced here, and we want to get it admitted free. I had a galvanising plant here, but had to give it up. The machinery in connection with it is so expensive that the output in the colony would never repay us. Therefore, we have to import it; and we ask to be allowed to import it free of duty.

629. What other representations do you wish to make to the Commission?—The next thing I wish to bring before you is the German enamelled ware. This small mug [produced] is admitted at 20 per cent. duty. It is produced in a country where the wages come to 7d. a day in English money. It is somewhere in Austria; and I am told on good authority that the wages there only come to 7d. a day in English money.

630. How does the mug which you now produce compare with the tin mug?—It commands double the price. We find it is gradually taking the place of our tinned goods. A pannikin we make of that size would be made for 2d., and that article could not be sold for less than 5d. or 6d.

631. What is the amount of the duty you want placed upon goods of the same kind as the mug produced?—I look upon that mug as a luxury, and I think that people who require these goods should pay 35 per cent. duty instead of 20. I think, also, that the duty on galvanised-iron buckets and tubs should be raised to 35 or 40 per cent. The present duty is 20 per cent. We can make them in the colony, and if this additional duty were imposed we could employ a larger amount of labour than we now do, because the local output would be so much greater.

632. Have you any further suggestions to make?—The next thing I wish to draw attention to is tinsmiths' fittings. My predecessor, in giving evidence, asked that these should be admitted free. I have a very expensive plant and machinery, which produces the articles mentioned below.* These at the present time are 25 per cent. I would ask that to be kept on, and that anything that can be made in the colony should not be admitted free.

633. Can you make out a list of those articles called tinsmiths' fittings that can be made in the colony, and upon which you wish to have the duty retained?—It would take a long time to do so; but I shall prepare a memorandum for the Commission, setting out what tinsmiths' fittings I mean. I wish the Commission to assist manufacturers who are at the present time playing a very important part in developing the best interests of the colony. In Otago alone, seven thousand hands are employed in factories, and there are close on forty thousand hands employed in factories all over the colony. I maintain, therefore, that manufacturers are playing a very important part in the colony's progress and development. Although we have to pay in the colony three times the amount

* P.S.—The goods I am now making are billy-covers (or camp-kettle covers), bucket-bottoms, and coffee-pot tops. These are all stamped into shape, and are now 25 per cent. duty. I ask that the duty may be allowed to remain, as I have erected expensive machinery in connection with the making of these goods.—F. J. L.

of wages per day that is paid at Home, still we are able to hold our own in regard to some items of manufacture.

The Chairman: All these matters will be taken into consideration by the Commission before sending in their report.

THURSDAY, 21ST FEBRUARY, 1895.

(7.) A. MACDONALD examined.

634. *The Chairman.*] Are you manager for McPherson, Kemp, and Co.?—Yes.

635. In the business of confectionery?—Yes; wholesale confectioners, doing business in Dunedin.

636. Now, Mr. Macdonald, you want to see us in connection with the tariff, and I suppose you have some representations to make?—Yes.

637. Will you kindly make them in your own words?—The point I wish to bring up has been a vexed question with us for a considerable time; and even the Customs officers themselves admit that. According to the tariff as it stands at present confectionery chocolate is at the rate of 3d. per pound, and when in fancy boxes these have to be weighed in. But, according to one or two recent decisions of the Commissioner of Customs, he seems to have changed his mind where the boxes become very fancy, and he says, "3d. per pound for the contents, and 20 per cent. *ad valorem* for the fancy boxes." We are quite willing to admit that fancy boxes are dutiable, but our difficulty is to divide the contents from the box, because I can show you from an invoice that each box is invoiced "box and contents"—that is to say, so much per box, including the box, or so much per dozen boxes. [Boxes produced.] They say that is so much per box, and we do not know how to get at the duty on the contents and the duty on the box, because we have no idea of the value of the box. They assess the proportion of the value of the box.

638. Suppose we say, for the sake of argument, that a dozen is invoiced at 6s., then the Customs, if it pleases, charges you 20 per cent. on 2s., if it thinks the box is worth 2s.? You complain that you have no means of finding out the relative proportion of the assessment?—Yes. There is a quantity of these cheap packets [produced] imported. These packets contain very little confectionery, and, perhaps, a number of folded paper articles, such as caps, &c. It is extremely difficult to get at the duty upon these packets.

639. Then, do you mean to say, in connection with these mixed packets also, that you are charged differential rates of duty?—They make us pay on the weight of the contents and packets as well, and charge it all as confectionery.

640. You could not get the Customs to open a sample and assess you so much for the confectionery, and so much for these fancy articles?—No.

641. What is it you complain of?—The weighing of these packets involves an enormous amount of labour. They take a test-box and take the gross weight. The Customs officers say there is a large proportion really containing fancy goods. It would simplify the whole matter if they passed as fancy goods, and paid whatever amount of *ad valorem* duty the Customs pleased to assess.

642. It would be the same thing, would it not, if you paid on twenty pounds' worth of ordinary confectionery?—No; the weights are given. These fancy boxes in this invoice [produced] are the only items in which the weight is not given.

643. You say that a large proportion of the stuff is not confectionery at all, but comes under the designation of fancy goods?—Yes.

644. At what rate do you ask that confectionery sent out in fancy boxes should be charged?—*Ad valorem* duty, at what rate you like, instead of at per pound.

645. What rate of *ad valorem* duty do you think would be a fair rate?—I think 20 per cent.—the same as fancy goods—would be fair enough; and I might point out that 20 per cent. on that box would be equal to about 40 per cent. on the contents—confectionery. We would rather pay 20 per cent. on the thing all round, or 25 per cent., than be bothered with being charged separately.

Mr. Glasgow: We are obliged to do this, because confectionery was being imported in articles of permanent value.

Witness: I might say we have boxes much more elaborate than the one produced.

646. *The Chairman.*] Then, as a matter of convenience, you are willing to pay *ad valorem* for the whole thing, so as to save distinguishing between the box and contents?—Yes. We pay 2d. per pound on the gross weight of these. In our own invoices we have no indication whatever of the gross weight; we never have. I have tried it, but it is impossible to get it. I would suggest that the same thing would apply to that.

646A. *Mr. Glasgow.*] What is the price of the confectionery in England with the box?—That is difficult to say.

Mr. Glasgow: We are working in the dark without knowing about that.

Witness: At one time we weighed the boxes in. Then it was decided we should pay 20 per cent. *ad valorem* on the boxes apart from the contents. The one was just about as good as the other for both purposes. A large proportion of these packets is fancy goods. We are charged 2d. per pound on the small boxes. The only grievance is that it causes an immense amount of trouble. We get these boxes out often in tanks, and there may be a hundred different kinds.

647. *The Chairman.*] Broadly stated, you recommend an *ad valorem* instead of a weight duty?—Yes.

Mr. Glasgow: The Commission would need to be informed whether the 20 per cent. *ad valorem* would make up the present duty.

Witness: Mixed packages containing confectionery and other articles to be *ad valorem* is what I suggest. I am quite satisfied a 20-per-cent. rate would cost no more.

Mr. Glasgow: The average is about 23 per cent. on the whole confectionery. I am inclined to think the Commission would require more information before the duty was fixed at 20 per cent., because I think 2d. per pound would represent more than 20 per cent.

Witness : There has always been a trouble as to what is a fancy box and what is not a fancy box, and no two opinions are alike. This [produced] is the lowest quality of what is considered a fancy box, and this is what is not considered as a fancy box [boxes produced]. These, here are fancy boxes, because we pay for the box; those again are not fancy boxes, because we do not pay for those boxes. At present the Customs require us to pay for the boxes included. There is the distinction of what is a fancy box and what is not.

648. *Mr. Stevens.*] In the one case you are charged for the chocolates and for the value of the box and in the other you are simply charged for the weight of the contents?—Yes.

649. *The Chairman.*] Then, you pay for the chocolate and also for the box which contains it?—Yes.

650. And you want the duty on the latter taken off?—I would like to have the question settled as to what is a fancy box, and my argument is that, where there is no charge for the box, it can hardly be considered an article of any value.

651. You want a better distinction of what is a fancy box?—Quite so.

652. *Mr. McGowan.*] Are there not chocolates manufactured in New Zealand in boxes of that character?—I believe they are made in boxes something after this stamp [produced]. Hudson makes chocolate; I believe he is the only one. At the last alteration of the tariff he got 1d a pound put on chocolates, and it did nobody any good except himself. I think if all the trade were put together the duty it bears is much greater than any other trade.

653. There is a considerable trade done, is there not, in fancy boxes?—I do not know that there is so very much money in them. They look worth a good deal in a window. We sell at Christmas time fifty or sixty pounds' worth.

(18.) Deputation from Iron Rolling Mills, Dunedin (Messrs. Walter Stott, John Horne Smellie, and Arthur Morrison, M.H.R.).

Mr. Morrison : Mr. Chairman, the deputation would be very glad if the Commission could withhold all information regarding the subject of their application from the newspapers, either of names or anything else connected with this local industry. Messrs. Stott and Smellie are the co-partners interested in the Otago Iron Rolling Mills. It is an industry established over eight years, and large sums of money have been sunk in it, but it has not turned out successfully so far. Certain matters in connection with the industry these gentlemen would like to chat over with the Commission with a view to getting certain difficulties removed. They court the fullest investigation with regard to their grievances, and are prepared to answer any questions you wish to ask them.

Walter Stott examined.

654. *The Chairman.*] Will you kindly state what you are, Mr. Stott?—I was originally secretary to the Otago Iron Rolling Mills Company, and Mr. Smellie and I have now taken a lease of the works from the company, and are running them. They were originally worked by Smellie Brothers, who afterwards formed themselves, with others, into a limited company. Smellie Brothers started the industry about eight years ago, and invested £15,000 in plant at Burnside. After working for three years, the price of iron came down from £9 to £7 10s., and the company found they could not carry on. Mr. Smellie and I then leased the mills, to see if we could manage to pay wages. We have been working the business for twelve months, and have now renewed the lease.

655. What is the industry you carry on?—We purchase scrap-iron and work it up into finished iron, bar-iron, horse-shoe iron, and the standard iron used for fencing.

656. Is there a demand for all that can be produced here?—Yes.

657. Are there any other persons engaged in the same industry elsewhere?—The Onehunga Iron Rolling Mills.

658. Do they manufacture the same lines?—In addition to making plates they make sheet-iron.

659. If there were no importation of iron, would there be sufficient demand to keep the two mills going?—To keep us both going, and more.

660. What is the request you have to make?—At present there is a duty of 20 per cent. on the manufactured iron standards imported into the colony, and we wish the same duty placed on the imported iron from which standards are manufactured in the colony. If this duty were imposed the iron industry would live, and more hands would be employed. The duty on the imported iron standards is of no service; it does not justify the erection of plant to finish standards, inasmuch as the standard trade is in the hands of combinations who would cut prices to such a point that we could not live; if the duty were placed on the imported standard iron, and the manufacturers and importers placed on the same footing, competition would be keen, and consequently prices would have a tendency to come down; colonial standard iron is much superior to imported.

661. If this duty were imposed, as you suggest, and you secured the supplying of the local demands, would the amount of duty be a permanent charge on the consumer, or would you be enabled to cheapen the cost of production and bring the consumer back to the same position as he would be when the article was imported?—We believe it would decrease the cost; but we are quite certain it would not increase it.

662. If you obtained all the business in the colony, would the amount of labour employed be increased?—At present it does not pay us to employ labour; there are forty hands engaged in it now, but they are not working full time—about four days a week. If the business were paying we could employ ten or twelve extra. The workmen are paid by time, and earn wages, according to their ability and skill, of from £2 to £5 per week.

663. What are the average wages?—12s. a day at a certain class of work.

Mr. Morrison : Mr. Stott is dealing with furnacemen, who are especially skilled men; 12s. a day for all hands would not be a fair average.

Mr. Stott: From 8s. to 10s. per day would be the average earnings we pay for the other hands, excluding furnacemen, when working full time.

664. *The Chairman.*] Is there any other matter?—We do not recommend a duty on ordinary iron, as it would increase the cost to the consumer, and as it is impossible to make all sizes required in the colony. This is iron used in the making of bridges. Shoeing-iron is quite different. We would press for a duty of 20 per cent. on shoeing-iron if we could not get a duty on standard iron. The colonial shoeing-iron is selling at £2 10s. a ton cheaper than the imported in Dunedin.

665. How is it that the one can stand in place of the other?—There are certain combinations which pretty well rule the price of iron. If we got the 20 per cent. on the imported standard iron we would be independent of these combinations. The shoeing-iron can be made in the colony, and the price to the consumer would not be increased.

666. Why can the importer of standard iron supply more cheaply than you?—Because we have to go so far abroad for the raw material; we pay more for the freight of iron from Christchurch than it costs to import it from Home.

667. Would the imposition of the duty you propose on shoeing-iron mean the employment of more labour?—It would insure that the hands at present engaged would be employed full time, and probably enable another mill to start that is now shut down.

668. If the duty were imposed, would it increase the price of iron to the farmer?—It would depend upon the middleman; if there were no middleman the iron would be considerably cheaper.

669. *Mr. Tanner.*] Is the output of your factory increasing since you started?—It is decreasing.

670. Is it limited by the demand and by the fact that iron can be obtained cheaper?—Yes.

671. What quality of iron do you refer to when you state that colonial iron can be bought £2 10s. cheaper than the imported iron?—Horse-shoeing iron made by us.

672. *Mr. McGowan.*] When you started these works you say the price of iron was £9 10s. a ton: did that price pay the company?—Yes.

673. And you say that the present price, £7 10s., is not a paying one?—No, it is not.

674. Is there anything between the merchants and consumers that prevents you having complete contact with the consumers?—The large combinations in the cities would not allow us for one moment to go to the consumer.

675. Is it the price of iron that is your difficulty, or is it the combination of importers?—The highest price we can put it on the market at does not enable us to make it pay.

676. Is the present price of iron a paying-price?—Barely.

677. If your trade increased to such an extent as to require, say, another 100 per cent. more of raw material, what position would you be in with reference to the consumer?—We recognise that, and it is the reason we ask for a duty on standard iron. It would not alter the position of standard iron, and there is not sufficient scrap in this colony to keep the colony supplied with bar-iron. We ask for duty on a certain class of iron, to put us in the same position as the importer.

678. *Mr. Stevens.*] Are you aware if there is much scrap-iron exported from here to China?—At one time a large quantity was exported, but our industry now prevents it.

679. You have stated that the freight on imported iron is less from Great Britain than the cost of collecting scrap-iron in the colony?—Bar-iron imported from Home costs in freight £1 per ton, Glasgow to Dunedin, and to send bar-iron from Christchurch to Dunedin costs £1 7s. a ton.

680. Do you get scrap-iron from Wellington?—We do, regularly. It costs us 14s. 6d. per ton to Burnside.

681. What is the cost of sending the manufactured iron to Wellington?—15s. to 17s. per ton, freight and wharfage. If we got lower freights we should increase our output.

682. Is the horse-shoe iron the same kind of iron they make in Great Britain in some places?

Mr. Smellie: There it is made from specially puddled iron; we make it from scrap-iron.

683. *Mr. Stevens.*] Would you be able to produce sheet-iron here with sufficient protection?—No; our machinery is not sufficiently extensive.

684. What would be the value of your output annually, supposing you could keep regularly employed the fifty hands you have referred to?—We have spent £10,000 in wages and material in the last twelve months, and we sold 1,400 tons during the year, of the value of £10,000.

685. What would the annual value of your output be if you were able to employ fifty hands full time?—£14,000, I should say.

686. *Mr. Hutchison.*] When did you commence operations?—1886.

686A. I gather that your great difficulty consists not so much in the duty as in the dealing with the importing firms by the middlemen, who have suffered perhaps more than most in introducing this inferior iron, which can be obtained cheaper than scrap-iron.

687. Would there not be danger if you could get the iron cheaper from Home of your ceasing to buy scrap?—No; it would pay far better to buy the scrap than to import. We should not cease buying scrap, which is our chief support.

688. You are quite willing to compete with the standard iron at 20 per cent. Do you not think you would be able to make a superior standard to the one imported now, and that people would buy it all the same if it is cheaper?—I believe they will.

Mr. Smellie: I corroborate generally the statements made by my partner, Mr. Stott.

Mr. Stott: We are compelled to use Newcastle coal here on account of the furnaces, and on account of our manufacture being an iron one we are forced to carry it on away from town, at Burnside. The railway charge for the carriage of Newcastle coal within a certain distance of Dunedin is 1s. per ton more than it is on native coal, and it means we are handicapped to that extent by having to erect the works at Burnside.

689. *Mr. Hutchison.*] Supposing you were interested in native coal, would you not like to be treated preferentially?—If we could get native coal as cheap we would alter our furnaces, or if we obtained the protection now asked for.

690. *The Chairman.*] What description in the Customs tariff would cover the standard iron imported?—Iron from 1⅛in. to 1½in. width and from ¼in. to ⅜in. thick.

691. Then, the iron you want admitted under the arrangement you propose is "all standard iron as comprised within those sizes"?—Yes.

692. Do you object to your names appearing in the papers as having appeared before the Commission?—We prefer that nothing be said on the subject.

(**19.**) Letter from Messrs. KEMPTHORNE, PROSSER, and Co.

SIR,— Dunedin, 15th February, 1895.

Noticing your advertisement that the Tariff Commission will sit at Dunedin on Wednesday, the 20th instant, and that business would be facilitated by writing you on the subject prior to that time, we take the opportunity of submitting in writing some particulars and suggestions relating to our business, so that you may place them before the Commission; and, should there be any other information required, will attend, if asked to do so, to give necessary explanations should our written suggestions be not clear enough.

In April and May, 1894, when changes were talked about as probable during the last session of Parliament, we had some correspondence with the Hon. Commissioner of Customs and Secretary and Inspector of Customs on the subject, which we were informed by the Hon. J. G. Ward was placed in the hands of the Tariff Committee; but, as nothing was done, we think, perhaps, that the shortest and clearest thing now to do is to repeat the suggestions we formerly made to the present Tariff Commission.

On the 5th April, 1894, we sent to the Hon. the Colonial Treasurer and Commissioner of Customs a copy of a resolution passed by the New Zealand Manufacturers' Association, of Dunedin, as under:—

Resolved, "That as the original tariff passed by the Legislature comprised some 315 articles, in Schedule A as dutiable, and 189 articles in Schedule B as exempt, and that whereas since that time the Hon. Commissioner's decisions have increased the list by variations up to the number of nearly 4,000, rendering the passing of an entry correctly most difficult, this association, having discussed the reported statements of the Hon. the Premier and Treasurer that an alteration in the tariff will be made during the next session, urge that each member of this association should, at a future meeting to be called, bring up a sketch of a tariff on defined lines, on which the Government could raise the necessary amount for revenue purposes, and that all other lines not defined should be free."

Following the above resolution, we submitted to the Hon. the Commissioner of Customs, for consideration of his executive officers, a form of classification which we considered, from long experience and knowledge, would comprehensively cover the articles we handle, and we, with due respect, submit that it would most materially assist the members of the Tariff Commission to get suggestions from the leading manufacturers and heads of mercantile firms throughout the colony as to classification for duty or exemption of imported lines, and to compile accordingly. The evils of improper classification are now evident in the large number of the Hon. Commissioner of Customs decisions since the tariff was framed. The cardinal point is to classify so as to remove from Customhouse officers that discretionary power which entails so much responsibility on them, gives so much vexation, and opens so wide a field for continuous disputation in the passing of entries.

In our business, where lines may be open to discussion as to which head they should be placed under, we make these lines to fall in under groupings which we have no doubt will be ranged under the same import duty. The trouble in the past has been in having divergent duties, and, of course, a Customhouse officer's duty is to convince that the goods should be classed under that heading which brings the most money to the State.

The following are our suggestions for classification of our imports, in alphabetical order:—

Apothecaries' wares	Per cent.
Boxes, empty, cardboard, wood, or metal, same rate as apothecaries' wares.	
Brushware, same rate as apothecaries' ware.	
Chemicals, not otherwise described, same rate.	
Combs, same rate.	
Corks, same rate.	
Confectionery, medicinal, all kinds, at	Per lb.
Confectionery, not otherwise described	Per cent.
Drugs, same rate as apothecaries' wares.	
Druggists' sundries, same rate as apothecaries' wares.	
Earthenware, same rate as apothecaries' wares.	
Glassware, not otherwise described, same rate as druggists' sundries.	
Oils: Castor, colza, rape, and turpentine	Per gal.
Oils: Linseed, boiled and raw	"
Oils, not otherwise enumerated, either animal, vegetable, or mineral	"
Patent medicines, at	Per cent.
Proprietary medicines, bearing the name of proprietor on label or package, the same rate as patent medicines.	
Perfumery, in bottles of ½oz. to 12oz., bearing maker's name on labels, to save opening bottles for measurement, at	Per cent.
Perfumery, in powder or other form than liquid, bearing maker's name	"
Perfumery, concentrated extracts or essences, in bottles, if not less than 1lb., for manufacturing purposes, in liquid form or preserved in fat, or otherwise. We suggest a low rate of duty for these, so that local people may be in the same position to make perfumery as English and foreign producers.	

Pills, medicinal, plain, sugar-coated, pearl-coated, or gelatine-coated, in bottles of not less than 1lb., same rate as drugs.
Pills, other than patent, if boxed or bottled and labelled, bearing proprietor's name, the same rate as patent medicines.
Pills, medicinal, boxed or bottled, with plain labels, carrying the form or recipe on the label, the same rate as drugs.
Pharmaceutical preparations, to comprise all embraced in English, American, German, French, and other foreign pharmacopœiæ, the same rate as drugs.

We suggest the following should be free imports: Surgical instruments and appliances, chemical electric and scientific apparatus, dental instruments appliances and artificial teeth.

Free Goods for Manufacturing Purposes.

We respectfully submit that the following lines, coming under the alphabetical heads as chemicals, drugs, druggists' sundries, and glassware should be classified as "exemptions," free of duty: Arsenic; bluestone; bottles (empty), of all kinds; essential oils, of all kinds; glycerine, crude; cod-liver oil; medicinal barks, leaves, flowers, roots, and gums enumerated in British or foreign pharmacopœiæ; phosphorus; strychnine; soda acetas, crude; soda nitrate.

N.B.—The reasons why we suggest the above should be free are that arsenic and glycerine are largely used in making sheep-dip; bluestone is used for steeping grain before sowing; cod-liver oil is used by sick persons only, and should be sold as cheaply as possible; bottles (empty), essential oils, medicinal barks, leaves, &c., and soda acetas and nitrate are necessary for the local manufacture of perfumery; pharmaceutical preparations, and sulphuric, nitric, and acetic acids, and empty bottles of all kinds, should be free, as they now are under the present tariff, so that they may be useable at lowest cost to hold manufactured productions, there being no bottle manufactory in the colony; phosphorus is largely used for rabbit-poisoning.

Manufactured Goods in Bond.

That all pharmaceutical preparations, as defined in the British, American, and foreign pharmacopœiæ, requiring alcohol in manufacture, should be permitted to be made in bond in New Zealand, as all other countries are permitted to make in bond and export (without export duty), thus enabling them to land these goods in New Zealand as manufactures without any cost of duty whatever. Privileges are now granted by the Legislature to make perfumery, and most of the lines in the British Pharmacopœia (now in bond in New Zealand); but, as American, German, and French pharmaceutical bonded manufactures are now largely coming into New Zealand, we submit that power should be given to compete locally with these foreign products. We wrote to the Hon. J. G. Ward, Commissioner of Customs, on the subject of bonded manufactures and duties on acid imposed by the other colonies of Australasia, which are free of import duty in New Zealand, in May, 1894; and for the information of the Tariff Commission we repeat the letter, and to which we ask attention:—

"Dunedin, May, 1894.

"Sir,— "Re *Tariff Changes.*

"There has been considerable discussion here *re* probable changes in Customs tariff (during the coming session of Parliament) by the New Zealand Manufacturers' Association, and also the Protectionist Association. I also got a telegram a few days ago stating that a Tariff Committee had been appointed by the Auckland Chamber of Commerce, and asking what the Dunedin Chamber had done. No doubt from these sources suggestions may reach you in reference to this question.

"In so far as our own business is concerned, I sincerely hope that a change may be effected during the next session to put us on an equal footing with our other colonial friends, so that the competition may be fair and equal. I instance the following articles which we make: Acids, sulphuric, nitric, and muriatic, and on which there is no duty whatever charged in New Zealand. But in Australia duty is charged on all these articles.

"In Victoria all these acids are dutiable at £5 per ton; South Australia, £5 per ton; Queensland, £5 per ton; New South Wales, £2 10s. per ton; Tasmania, £2 10s. per ton.

"Acid, acetic, which we also make, in all the other colonies the lowest duty is 3d. per pound; in New Zealand it is 1½d. per pound duty. We have erected buildings and plant, costing us over £20,000, for the production of the foregoing articles; but, in consequence of competition in Sydney through a company called 'The Co-operative Acid Company' starting work some two years ago, and competing at ruinous rates with the other acid-maker there, Messrs. Elliott Brothers, the price was brought down to a figure which resulted in very heavy losses to both makers. Messrs. Elliott Brothers, being sufficiently wealthy to stand the losses, kept at it, until the Co-operative Acid Company had lost their entire capital, and also some £6,000 of private moneys, in the concern, when a fire took place at the co-operative company's works, and they disappeared.

"In consequence of this insane competition in Sydney, and New Zealand being an open market, without any import duty, acids were shipped here; and we, having to keep our works going, in order to stop this acid coming in here, had to reduce our rates, and also work at a loss; whereas, had the conditions of duty been equal with the other colonies, we should, at all events, if not able to make a profit out of the goods, have been able to pay wages without loss until the foolish competition ended. I therefore hope that you will endeavour, during the coming session, to, at all events, alter the tariff so as to stop this inequitable competition. Had the markets of the other colonies been open to us on the same conditions of trade we should not complain, because in fair competition we are not the least afraid of them; but under present conditions we are helpless, and must continue to lose money in this section of our business as long as the present condition remains.

"Whilst on this subject of the tariff, I also express the hope that increased facilities may be given for manufacturing in bond. I have had some conversation with the Collector here, and also with Mr. Glasgow, in respect to this matter. The local Collector, Mr. Chamberlain, says that he would be pleased if all these manufacturing bonds were closed, as it entails supervision and affects revenue. Revenue, no doubt, is the chief aim of every Customhouse officer, and simplification in getting it.

"But there is a much broader question than this narrow focussing point. These bonds were created by the Legislature to foster and encourage industry and home productions, and they have done so. We have spent thousands of pounds in introducing our manufactures made under bond regulations, and have made a market for them all over the colony, and to discontinue would wantonly sacrifice our time and capital and throw our hands out of employment, and also those of others who have been engaged in similar work.

"If New Zealand is to become a manufacturing place, and she should gain this position, then, as a thorough business-man yourself, I have no doubt you will agree with me that proper encouragement should be given to all legitimate enterprise, and that the same facilities should be given here for manufacturing under bond as is done in all other manufacturing countries.

"If an excise duty is required for goods made up under bond for home consumption, by all means have it; but the margin you would doubtless arrange to be sufficient to cover the difference between a proper wage-earning power here and the miserable earnings of the workers in the older countries with whom we have to compete, so as to pay our workers fairly, and get interest on capital, to insure the possibility of fair trade within our own borders, and to prevent New Zealand becoming the dumping-ground for other outside competitors, who protect themselves against us, and which helps to kill both our workers and our industries. Until we can have intercolonial free-trade, which I hope in the near future we may get, it will be well that our tariff rates should correspond meantime, I respectfully submit, for manufactured goods as nearly as possible to other colonial rates. I apologize for taking up so much of your valuable time, but could not set out the facts in shorter space.

I have, &c.,

"Thomas W. Kempthorne.

"Hon. J. G. Ward, M.H.R., Commissioner of Customs, Wellington."

N.B.—Should the members of the Tariff Commission have time to visit our works we should be pleased if they could make it convenient to do so.

We are, &c.,

Kempthorne, Prosser and Co.'s
New Zealand Drug Company (Limited),
Thomas W. Kempthorne, Managing Director.

E. W. Kane, Esq., Secretary, Tariff Commission.

Friday, 22nd February, 1895.

(20.) A. W. Lorie examined.

693. *The Chairman.*] I understand you wish to make some representations to the Commission in regard to the fruit industry: what are they?—The main question has been lost sight of altogether—namely, that the competition from "the other side" is not a fair competition—not a competition as between grower and grower. If you had that competition the grower here would be able to hold his own. By the term "the other side" I mean Hobart, Sydney, and Melbourne. At present this country is looked upon principally as the dumping-ground for their surplus fruit.

694. Do they not send their best fruit here?—No. With few exceptions, where fruit is brought over by misrepresentation as to our markets and market values, their overplus is sent over here, and they take their chance, principally from the fact that we have not a prohibitive duty.

695. The consequence is that it is sold for a lower price than if it were consigned for a profit: in fact, it is sold for what it will fetch?—Exactly.

696. That, you complain, is unfair?—It makes it impossible for the local fruit-grower to contend against it.

697. Is it true that fruit-growers outside the colony have a temporary advantage by coming earlier into the market and taking the first demand?—That is undoubtedly correct. It is fruit of a most inferior description, but they catch the taste for a novelty with a fruit that is not thoroughly ripened, and, in the majority of cases, uneatable. The plums are dreadful.

698. Is it not a fact that people would get surfeited, and if you, a fortnight later, bring in superior fruit, they are by that time tired of it; so that a fortnight earlier at the start keeps them at the beginning of the market all the way through?—Yes.

699. Then, if another ½d. a pound were imposed, and the effect of this was to keep the Tasmanian fruit out of the market, the result would simply be this: that the public would have to wait a fortnight later before being able to purchase the locally-grown fruit?—About eight days. If they once got into that groove they would get certainly as good an article and, on the whole, a better article than they do now. With regard to this competition in fruit, we have been dependent here, until the last year or two, on perhaps twenty buyers. There are several hundreds of growers dependent on twenty retail buyers, principally in the City of Dunedin. I have not the slightest doubt the same thing applies in other towns. Now, the position these retailers have taken up is this: To represent themselves to growers on "the other side" as merchants and commission agents, and to induce growers on "the other side" to consign fruit to them. The result of that is this: that these men, who were our customers until they resorted to this practice, are now entirely outside our market, and do not buy one pennyworth of our fruit—that is to say, they are monopolizing the trade. Three retailers are receiving their fruit on commission from "the other side," and are interested in crushing the local production.

700. Then, a great many of these people have developed communications with "the other side," and it pays them better to favour imported fruit?—Certainly, because they get their fruit at their own price.

701. How many of these twenty buyers have become agents for "the other side"?—Of these twenty, three retail fully half of the fruit sold in Dunedin.

702. How much of that do they get from Tasmania?—I should say, this year they have got 50 per cent. of it.

703. Therefore, those three out of the twenty take away half of your trade?—Exactly. We can only find a market for half of our fruit in Dunedin.

704. What is to prevent the remaining seventeen people following those three, and depriving you of the whole of the market?—You are dealing now with seventeen paupers—with people who are not in a position to do so.

705. The position, then, has developed to this extent: that the persons upon whom you depend, or have depended, for the sale of your fruit find it pays them better to get commissions for selling fruit from elsewhere?—Exactly. We wish to put those who send fruit here on commission in this position: that their loss will be very much more than it is now. I believe that last year half of the fruit shipped from "the other side" returned nothing at all to the growers.

706. Your argument is that they send their surplus fruit, and take their chance whether they get anything or not?—It is not all of them who send their surplus fruit alone. Probably half of them send over fruit under a misrepresentation. They are told that prices are ruling which have never ruled, leading them by misrepresentations to bring their fruit into competition with ours. I can bring you endless correspondence showing that plums are said to be ruling at 8s. 6d., whilst I say they are only bringing 3s. 6d. The only explanation of that is that the 8s. 6d. is a misrepresentation. Mr. Mackenzie said a certain amount of fruit was imported. I think the only grounds for opposition to this increased duty are that about 900 tons of fruit has been imported in one year. Now, when you see that in our own district we produced last year over 400 tons of fruit, you can believe that New Zealand can produce sufficient for the demand. The fact of shutting out foreign fruit will not increase the price to any extent. I am satisfied there will be no increase in price.

707. There are a sufficient number of growers locally to compete with each other, and so keep down the price?—Exactly.

708. *Mr. Tanner.*] Do you mean that these three people to whom you have referred imported half the total amount of fruit sold in Dunedin?—They sold half of the total amount sold in Dunedin.

709. Do they get anything from you now?—Very little. In previous years they got a great deal.

710. *Mr. McGowan.*] You represent an organization composed of fruit-growers in central Otago?—I am manager for the company, which includes the whole of the fruit-growers in that district.

711. You, to a great extent, supply the local market?—Yes.

712. Being a company, possessing or having control of the whole of the trade in this district, and supplying the whole of this local market, with the exception of the foreign fruit, where will the competition come in if you shut out the imported fruit?—We have plenty of competition outside central Otago. We have no competition among ourselves.

713. If you shut out the imported fruit, you could not have competition among yourselves?—We have never had competition among ourselves. Although we have been a combined body of men for some years past, fruit has been supplied as cheaply as ever.

714. *Mr. Stevens.*] Does this combination compel each fruit-grower not to accept anything below a stated price?—The organization is on co-operative lines. It is the purest co-operative society in the Australian Colonies, perhaps in the world.

715. Then, each member of the co-operative society may sell his fruit any way he chooses—privately or through an agency?—No. He must either sell it south of Milton, or to the company, or on the goldfields.

716. Therefore, his market is restricted?—Yes.

717. *The Chairman.*] Is the price fixed?—The price is fixed week by week; and I may tell you that one clause of the articles of association reads that no dividend of more than 10 per cent. shall ever be paid.

718. *Mr. Stevens.*] The company or association would not fix a high price whereby it might restrict its sales; but, on the contrary, for the purpose of competing with outside New Zealand markets, it would fix the price at something which would create a demand?—My price is fixed at such a rate as will produce a ready sale. We have never put a prohibitive price on our fruit.

719. *The Chairman.*] As regards this question of your working under an organization, with an agreement which appears to restrict the individual action of members as regards the sale of fruit within a certain fixed district, and as regards the price which you, as manager, fix from week to week: now, let us suppose that, with the view of protecting the public against an absolute monopoly, you departed from what you allege to be your present principle of selling at a fair price, and supposing you charged the price afforded by a monopoly, especially under a prohibitive tariff, which would be unfair to the public if adopted, would there be any remedy to the public by competition from North Otago, South Canterbury, or any other part of the colony?—Undoubtedly there would be.

720. That is to say, that, though there is no competition between yourselves, if your price were more than a reasonable price, it is likely some other part of the colony would come in and compete with you?—It is absolutely certain. This company has not been formed for the purpose of securing exorbitant prices. My directions have been to sell all their fruit.

721. Do you know anything about South Canterbury?—I have been there.

722. Have you been in the neighbourhood of the country lying between Waitaki and Pukurau?—Yes; and I have never seen such fine apples as I saw in that district.

723. If you demanded more than a fair price, do you think that district would be able to compete against you?—Yes; undoubtedly.

724. Is it or is it not a fact that plums can be grown remarkably well in the neighbourhood of Christchurch, and for a considerable distance in all directions away from the city, and for thirty or forty miles south of Timaru?—It is a wonderful district for plums.

725. Have you been through the Christchurch Botanical Gardens?—I have been to every Christchurch orchard.

726. Can you say that this is a particularly good year for plums?—We have done nothing with Christchurch; but there is no better district for plums in the world.

727. Supposing the price were fixed too high by your company, do you think Christchurch plums could come down and compete with yours?—Yes.

728. On the whole, you think there is no possibility of your securing an undue advantage with regard to these two items—apples and plums?—It is not at all likely.

729. Do you know whether there is a large consumption of dried apples in this market?—It has fallen off for many years. It is an exportable article.

730. Would it pay to dry apples for exportation, rather than for local consumption?—That is beyond question. There is an enormous trade for dried apples in America and France; and also in Australia to a great extent.

731. Do you not think (the climate here being particularly favourable) that you could dry apples, and command the Australian trade?—Christchurch would be the place particularly benefited so far as apples are concerned.

732. Is there not a large consumption in hotels of fruits put up by canning companies in America, particularly in the winter season?—Yes; a very large consumption.

733. Can you not prepare such fruits here?—A local firm assured us the instructions given by an American house were to drop prices to such a rate as to kill local industry.

734. Then, you ask that there should be a considerable increase of duties upon canned fruit?—Certainly.

735. To what extent?—It should be a prohibitive duty.

736. What would be a prohibitive duty?—50 per cent., or, say, 4d. per 2lb. tin or bottle, or, say, 2d. per pound on the net weight of the fruit with the syrup.

737. You are contending, then, as bearing out the evidence of the previous witness, that the duty on green fruit should be increased to 1d. per pound, and that a duty of 50 per cent. should be imposed upon canned fruit?—Yes. I would also remind the Commission that there is coal in the district from which the members of this deputation come, and that the output of coal there is 300 tons a week.

738. *Mr. Hutchison.*] Would not the cost of conveying your fruit to town be reduced very much by the promised reduction in the railway rates?—I think you will find that the concession given is on small lots only. I do not think the witnesses are correct who complain about the charges. The great complaint is that when we get the fruit here the market is flooded with imported fruit.

P.S.—I perhaps did not make it quite clear that I do not think an extra ½d. (making in all 1d. per pound) duty is sufficient. I consider that the duty on fruit should be 2d.; and in making this statement I would point out that my evidence in this direction is disinterested, since we receive large consignments of foreign fruit on commission, which the extra duty would prohibit to a very great extent. It may be urged that my position as manager of the Teviot Fruit-growers' Company (Limited) will benefit by the increased duty, but I may mention that, whilst I have acted for these growers for several years, I have consented to hold the office only until I can find them a suitable successor, as my other business demands all my time. I should also like to record my firm opinion that the fruit industry, if assisted, will be one of the most important to this colony.—A. W. L.

INVERCARGILL.

Tuesday, 26th February, 1895.

(1.) James Macalister examined.

1. *The Chairman.*] You attend as secretary of the Southland Farmers' Implement and Engineering Company, Invercargill?—I am the manager. I understand these proceedings are private.

2. Yes; the Press are not present. How long has your business been established?—About nine years. We were employing 120 hands at this time last year, but things are very quiet now, and we have only about sixty working full time.

3. What is the average rate of wages paid to journeymen in your employ?—6s. to 12s. a day.

4. *Mr. Tanner.*] What would be the average amount paid in a week?—You could ascertain that from the returns sent to the Government.

5. *The Chairman.*] We presume you wish to make suggestions as to the tariff as it affects your industry?—Yes. You may think my request absurd at first glance, but I hope to be able to convince you that it is a most reasonable one. If the Government put a duty of 30 per cent. on all imported implements and agricultural machinery that can be made in the colony, the colonial implement-makers and manufacturers would guarantee that the present prices paid by farmers would not be increased, and, if necessary, a reduction of 10 per cent. could be made. If this were done, the colonial manufacturers would be able to employ at least four or five times the number of hands they do at present, and we would also have other factories springing up on all sides. The population would be increased, and, instead of the Government having to find work for all kinds of mechanics making railways, &c., they would find employment at their respective trades. The farmer would not pay a cent more for his machinery, and would be supplied with a much better article, for, with regard to quality of implements, from what I have read and seen, the colonial-made implements are second to none in the world. It may be asked why we want

protection. We want protection not to raise the price of goods, but to give us the advantage of having the quantity to make, so that we can divide our labour, and keep men and youths making certain parts of machines, so that they get quick and skilful at their work, and thus reduce the cost of production. We would also make labour-saving machines, to assist in producing certain work speedily. It might also be asked, why we cannot compete with America, seeing they have such long freights and charges to pay. First, because we have not the quantity to turn out; secondly, the labour is cheaper in America, and the men there work from ten to twelve hours per day. The freight by sailing-vessel from America is only a mere bagatelle, not being more than 10 or 15 per cent. on the actual cost. I am certain all honest-thinking farmers in the colony would support this request, if it were put clearly before them. Kindly understand that I am not here for the purpose of increasing the price of implements, but for the purpose of reducing the prices—if it may be put that way—and supplying a better article. It would also increase the productive population, and greatly assist to enrich the colony and find labour for the youths that are growing up. We would only want this protection for a few years, until we got trained men and labour-saving appliances, when we could defy foreign manufacturers. I understand that we send out of the colony every year between £80,000 and £100,000 for implements and machines that could easily be made in this country. I think that if the money were spent here it would be of some assistance to the colony. Would the Government like to see in several of our leading towns large factories, employing four or five hundred hands each, or do they prefer to see those factories in America? It is just a matter of keeping the imported implements and machines out, and giving us the benefit of the quantity to make, and thus enabling us to supply them at the present prices, or 10 per cent. lower. I hope the Government will see their way to move in this very important matter. If nothing is done, the colonial industries in the above-mentioned lines will dwindle down to a mere nothing, as the American rubbish that is being pushed upon the market here is on the increase.

6. You state that your object is not so much to obtain protection for the purpose of raising prices as to secure to yourselves the larger area of trade. Do you mean by present prices the prices you yourselves charge, or the prices the articles could be bought for retail, whether imported or otherwise?—The price the article is sold at to the farmers. I refer to harvesting-machines, seed-sowing drills, and all other agricultural implements and machines, which we undertake to supply at the present prices, or 10 per cent. lower than the imported article if necessary—that is, taking quality into consideration.

7. Can you give the Commission any idea of the range of machines you think you could manufacture here. Could you manufacture all the harvesting machines imported?—Yes; the reaper-and-binder, which is the most important harvesting-machine imported, could be easily made here. Reid and Gray have done it; and Mr. Gray told me it was not the price that stopped them, but they could not get the quantity to make.

8. Have you the right to manufacture all machines?—We would not require any right; the patents have all lapsed.

9. There are certain people who at present prefer machines of a particular brand: if a duty were put on, would you be able to manufacture these articles?—I would never think of manufacturing a machine of all different makes, such as the Hornsby, McCormick, Massey-Harris, &c., but we would make a machine as good as any of them. We only want protection for a short time until we get trained labour and labour-saving appliances in proper running-order, similar to what they have in America.

10. Are there manufacturers other than your own firm in New Zealand?—Yes; the principal firms are Reid and Gray, Dunedin; Booth and Macdonald and P. and D. Duncan, of Christchurch; and ourselves.

11. You have allowed for the existence of these other factories in your calculations?—Certainly; competition would then become keener, and prices would certainly be reduced.

12. *Mr. Tanner.*] You mentioned a number of machines which you say you would not think of making?—Yes; reapers-and-binders—Hornsby, McCormick, Woods, Buckeye, &c.

13. These are mostly machines that are patented?—They have little patents hanging around them, but nothing that we cannot always improve on.

14. Are you perfectly satisfied you could equal them?—Certainly, leaving out the question of patents.

15. You state that colonial makers would be prepared to give a guarantee to the Government: have you thought of any plan by which that could be done?—There are our prices now; we are selling to the farmers all the machines that farmers use—double-furrow ploughs, combined drills, disc-harrows, grubbers, and cultivators of every description—and in several of those lines we have to compete against the imported article at present; so I do not think it would be a hard matter for the Government to restrict us to price. But we do not know the prices in force in various parts of the country.

16. Supposing we struck an average, would that suit you?—Yes.

17. Or, supposing a foreign war broke out, and communication with the Home-country was stopped, the price of the raw material would run up to double its present price?—I have not thought of wars, but should think that the same would apply to manufactured machines.

18. Well, wars are not uncommon. Do you think the opinion you have expressed—that most colonial makers would be prepared to enter into this guarantee—also expresses the opinion of other makers?—I think so. I spoke to Mr. Gray, and he would be willing to support me in this proposal. He did not want it made public, however.

19. *Mr. Mackenzie.*] You instanced double-furrow ploughs as an indication that you were able to supply implements at a lower rate: were you able to supply the double-furrow ploughs without protection?—The Americans cannot touch us in these lines; they can be made cheaper here than in the Old Country. I instanced the double-furrow ploughs as good implements we have been able to supply without the aid of protection, as they are plain implements.

20. You say Reid and Gray long ago made reapers-and-binders: do you mean to say they were equal to the McCormick?—Not in those days.

21. I refer to the machine Gray really made and gave to the colony?—It was not equal, but we are advancing in the manufacture. It is a long time since Reid and Gray made that machine, and binders were then new and complicated machines; the framework was made wholly of wood in those days. That was a drawback to making them in this country. All the framework is now made of steel.

22. But it is reasonable to suppose that a machine constructed like a McCormick machine could be made here?—They took a McCormick machine apart, and worked from it.

23. Yet with all that they were unable to make a machine equal to it?—It was a question of quantity, in my opinion.

24. Do you mean to say that the question of quantity had to do with the question of quality?—Certainly, with quantity you get quality.

25. What do you consider is the value of your annual output?—I cannot say from memory. We have sent twenty-five combined drills to Canterbury this year, equal to £1,000. Our sales run to a little over £1,000 a month.

26. Have you any knowledge of the value Reid and Gray produced?—I suppose a little over £1,600 a month. They did employ five hundred men, and now employ about one hundred, I understand.

27. Is it not a fact that there is less land going into crop, and the people are going in more for stock?—In Canterbury that may be so. I do not profess to know much about the Canterbury farmers.

28. Are they reducing the crop-area here?—No; I do not think so.

29. Would Reid and Gray turn out twice the number of implements you do?—Yes, somewhere about that.

30. Do the manufacturers in Christchurch do as much as Reid and Gray?—About.

31. They would keep out exactly the amount now imported; so that if protection were put on it would simply double the present making-power of Dunedin, Christchurch, and Southland. Do you think that would be sufficient to enable you to reduce prices to the farmers by 10 per cent.?—I think so.

32. Have you used New Zealand iron?—No, we have not handled any, but we would only be too glad to do so if we could procure it at market-prices.

33. You have not had an opportunity of hearing how the Auckland ironworks have done?—We have used the iron, and it is a great improvement on the ordinary imported iron.

34. Why do you not use more of it?—It is not in the market. We would use it if we could get it. It is as good iron as we can get from England—that is, the samples I have seen of it.

35. *Mr. McGowan.*] Do you manufacture the whole of the machines?—Yes.

36. Do you not import the bolts and nuts, chains, &c., as raw material?—Yes, a certain class of small bolts that we cannot make here.

37. I presume you require these to be introduced duty-free?—Yes, on account of the small quantity we require.

Mr. Glasgow: Bolts and nuts for carriage-makers and ships are the only bolts and nuts that are free.

38. *Mr. Stevens.*] What is the amount of commission paid by the makers of reaping-machines in America to their agents in the colony between the time the machine leaves the manufactory in America and the time it arrives on the field in New Zealand?—I do not think it exceeds 10 per cent. I had the offer of 2½ per cent. from one of the colonial agents here this year.

39. Supposing you had the exclusive right of making machinery, you would require agents throughout the colony?—They would get the same percentage that all our agents get at present, which is from 10 per cent. to 12½ per cent.

40. What percentage?—We give in several cases 12½ per cent.

41. As against the American 10 per cent.?—Yes.

42. Would not that extra 2½ per cent. come off the 10 per cent. saving you propose to effect on the cost of the locally-manufactured machines as against the cost of the imported?—Yes, but I mentioned not more than the present price. I believe, 10 per cent. less.

43. How many machines have you turned out since you began?—Taking all machines we have made, there would be several thousands; we have made and sold this year nearly one hundred combined drills.

44. Any reapers-and-binders?—We have not made any.

45. And if you got this duty of 30 per cent. on the manufactured article you would make them?—Certainly.

46. Though you have not made any, do you wish us to understand that you could make them equal to the imported?—I have been connected with the harvesting-machine trade for a number of years, and understand it perfectly. I have also obtained reliable costs from America. On several occasions I have suggested improvements on the American machines that have been adopted by the makers. At present I see no reason why they could not be made here equal to any American machines. It is a matter of having labour-saving machines and skilled men to work them.

47. What would be the necessary outlay for importing these machines?—Most of these labour-saving machines are made by the manufacturers themselves; and we would make them ourselves as we go along.

48. Do you use New Zealand coal or imported coal?—New Zealand; and our consumption would be more than double if we made the implements and machines here. We find the New Zealand coal much better than Newcastle.

49. *The Chairman.*] You admit that there are a number of items you would not think of asking duty on because you could not make them here: would electrical machinery be in your line?—No.

50. Steam-engines, gas-engines?—No.

51. Boilers?—I do not think we require any protection for them; they are so bulky; the freight would be sufficient protection. We could make them here.

52. Flour-milling and mining machinery?—No.

53. Refrigerating machinery?—No.

54. There are some small machines admitted free: what duty do you want put on those?—Seed-cleaning machines? Those are farming machines, and should be made dutiable to the extent of 30 per cent.

55. Portable and traction-engines?—I think they should come in free.

56. *Mr. Mackenzie.*] If protection were granted to the extent you ask, would you be able to reduce the present price by 10 per cent. to the farmers?—Yes; I believe it could be done directly it came into force.

57. *The Chairman.*] You are aware that materials for manufacturing—such as reaper-and-binder parts, knives, &c.—come in free?—I think they should continue to come in free.

58. Do you wish your name to appear as having come before the Commission?—I am not particular; you can make the whole affair public if you please, as I am sure protection in this line would be a great benefit to the country.

(2.) Benjamin Edwards examined.

59. *The Chairman.*] You reside at Kennington, Invercargill?—Yes.

60. Will you please state the subject you wish to bring before the Commission?—On introducing the subject on which I wish to make a few remarks—namely, the manufacture of edge tools, axes, slashers, &c.—it will be necessary to give a brief outline of the business I have for a number of years been trying to establish. About twelve years ago I was induced by the farmers in the district to start slasher-making. This was brought about by the very inferior quality of the imported articles. The result was that my business increased locally till I have driven the imported article very nearly out of Southland, and have also a small trade with the North. Through the encouragement received I have enlarged my factory, and equipped it to do a large trade. I have also spent a large amount of time and money to introduce new patterns and to improve the shapes of the old ones. Last year there were employed in slasher-making in my works seven men and four improvers. I now find that under the present circumstances it is impossible to extend the business and make a permanent industry of edge-tool manufacturing. My reasons are that some time since, when on a business tour through the North Island, I found imported bush-hooks and slashers exactly the same patterns as those I had introduced being sold as Edwards's patterns; and, as wholesale houses and importers get a larger profit on the imported slashers than they do on the colonial made, it was only in a few instances that I could induce them to do business with me. The result of my tour has convinced me that I cannot make it a permanent industry unless there is some assistance given through the Customs, 10 or 15 per cent. additional duty to what there is at present on the imported slashers. Extra duty would not increase the price to the consumer, but would tend to reduce it, as the competition would keep prices down, for others besides myself are trying to establish the same industry. I hope, gentlemen, you will give this your favourable consideration, as it will be the means of employing a large number of men, directly and indirectly, as the consumption of coal is a large item in the manufactory.

61. Do you employ a number of hands?—At the present time six men and two improvers. Wages: Two at 8s., and three at 7s. 6d. a day; the others from £1 5s. to 12s. 6d. per week.

62. What is the annual output working full time?—Last season we put out 400 dozen tools of all sorts, at £2 6s. 2d. per dozen net. Roughly, the annual output is about £1,000.

63. Are there any more edge-tool manufacturers in the colony?—There are two or three manufacturers in Christchurch, and one at Birmingham, North Island.

64. There are fifty thousand pounds' worth of tools imported into the colony annually now: do you ask that a duty be imposed on all of these?—No; only on bush-hooks and slashers—10 per cent. additional on both—*i.e.*, an increase to 30 per cent.

65. How could you define a bush-hook so that the implement could be clearly recognised?—As a rule one particular hook comes under the name of a bush-hook, and all the other patterns go by the name of slashers.

66. Would the term "bush-hooks and slashers" be sufficiently elastic to cover all descriptions?—I think so. I produce samples of my own make, and those sold in imitation of mine.

67. *Mr. Mackenzie.*] Where is the timber used in the handles obtained from?—I import the handles from America.

68. Do you make the ordinary billhook?—Yes.

69. Is this bush-hook of your own production as good as the imported?—It is better.

70. If you get this 10 per cent. or 15 per cent. duty additional, could you guarantee not to increase the price?—Yes, I could guarantee not to increase it above the present price of the imported article.

71. What is the imported article sold at?—The cost price is £1 19s. 9d. a case of one dozen, and my wholesale price is £2 2s. a case net.

72. Can you not manage to sell them at the former price?—I should lose on them.

73. *Mr. Stevens.*] Do you export any bush-hooks to Australia?—I have no export trade at all.

74. If you had the required protection, how many hands would you employ during the year?—If I could ascertain the quantity imported I might have an idea, otherwise I could not say.

75. Are there any other manufacturers besides yourself?—Yes; Rowe (Addington), Martin, Stewart, and a man at Birmingham (North Island). Most of these men are in the position they were in nine years ago. An extra 10 per cent. would enable me to sell at the same price as that of the imported knife.

76. Could not they still imitate yours, and reduce the value by 10 per cent., thus leaving you in the same position?—I do not think they could put the quality in. The superior article would drive out the imported, which is at present crippling the colonial trade, and is an inferior article.

77. *The Chairman.*] You claim yours is a 5 per cent. better article: would you continue to sell at £2 2s. a dozen?—I consider mine is from 10 per cent. to 20 per cent. a better article than the one sold at £1 19s. 9d. a dozen. I would continue to sell at £2 2s.

78. Is there any further matter?—I was requested to bring forward the question of the duty on crucibles used for brass-smelting. They cannot be obtained in the colony, and the iron- and brass-founders ask that they should be admitted free of duty.

79. Do you object to your name appearing in print as having given evidence?—No.

(3.) CHARLES S. ROSS examined.

80. *The Chairman.*] You attend on behalf of the photographers?—Yes; I represent beside myself Messrs. Campbell, Gerstenkorn, and Muir, and wish to bring under notice the question of the duty on enlarged photographs and gelatine bromide paper. Orders for the former are obtained by canvassers in the colony, and are sent out of the colony to be finished. They are only charged 15 per cent. duty when the finished photograph is returned; but the bromide paper (which is the raw material from which the enlargements are manufactured) is charged a duty of 20 per cent. In that respect we are, therefore, handicapped by 5 per cent. I also complain of the undervaluation in invoices of certain photographs imported here lately; they were invoiced at 5s. instead of £1.

81. *Mr. Tanner.*] So the amount of duty is practically nothing?—No. In one or two instances Mr. Gerstenkorn has been called in to value these things.

82. Is it a fact that any quantity of these have been allowed to come in by the Customs at an undervaluation?—I cannot say that.

Mr. Glasgow: I do not think there are many cases undetected.

Witness: This came out in a question we were asked amongst ourselves, and one of our members referred to two cases that had come under his own notice.

83. *Mr. Glasgow.*] This is not the only article you call "sensitized" paper. Are there any others?—Yes.

84. *The Chairman.*] Would a general heading of "sensitized paper" cover more than you ask for?—All raw material and dry plates are imported free, and bromide paper is exactly in the same state. The sensitized paper is also in the same state; but instead of being on glass it is on paper.

85. Are there any manufacturers of sensitized paper in the colony?—Not that I am aware of.

86. What do you ask?—That a heavier duty should be placed on enlargements.

87. What duty do you think would be fair?—30 to 50 per cent.

88. How long have you been a photographer?—Thirty years in Invercargill.

89. Could you produce these enlargements here?—Yes, just as well as outsiders can.

90. Why do people give these outside orders?—I think the idea is that because an article comes from a foreign place it is better.

91. *Mr. Tanner.*] When did you first notice this trade in enlargements made from local photos commencing?—Two years ago.

92. Has the custom increased?—Considerably.

93. How long had the trade been in existence, to your knowledge, when Mr. Gerstenkorn was called in by the Customs?—I could not say when he was called in.

94. Is it within your knowledge that the Customs told him they suspected these photographs were undervalued?—I should think they did inform him to that effect, or else they would not have got him to put it right.

95. You have no knowledge as to whether the fraud had been going on some time?—I cannot say that.

96. You are not in a position to prove that any particular photograph was entered at an unduly low figure?—Not personally.

97. Have any of your colleagues any personal knowledge?—I dare say Mr. Gerstenkorn would tell you if he recognised the pictures again. Further than that I do not know.

98. Are you aware if any case could be proved where pictures have been brought into the colony in this way, and have not been properly valued by the Customs authorities?—I cannot say that.

99. The suspicions point in that direction?—Yes.

100. *Mr. McGowan.*] Is it not the fact that one reason why these travellers supplying these enlargements can supply them cheaper is because they do not take the same care in production as the colonial artists?—Certainly.

101. And the cheap photos that are competing with the colonial work will not stand the wear of time?—I am not prepared to prove that. At present there are five canvassers representing foreign firms in the Invercargill district.

102. You find the local men, although they produce a good article, are not able to compete with the line from abroad?—Yes.

103. Are these photos sent to Australia only or to Home and China?—They may be sent to England and China also, but the majority are sent to Australia.

104. Are you aware that large numbers of oil-painted enlargements are made by Chinamen from photos and returned here?—I have known cases of that, but not to any extent. In our own business we have been compelled to send orders to London, where exceptionally good work is required.

105. *Mr. Glasgow.*] Are there many enlargements of views printed abroad from photos taken in New Zealand?—Yes; and I think a duty on them would not do any harm.

106. *Mr. Mackenzie.*] What are these imported photos sold at?—I could not say, having had no experience in the foreign views imported. We could not supply a dozen of the ordinary size under 12s., and you can get a dozen of the imported ones for 2s. 6d.

107. *The Chairman.*] Do you object to your name appearing?—No.

(4.) Deputation of Coachbuilders (John Bath and W. H. Mathieson).

108. *The Chairman.*] What are you, Mr. Bath?—A coachbuilder in Invercargill, where I have been in business twenty-five years. I employ six hands, and the average wages paid are 1s. an hour. We work full time.

109. What is the subject you wish to bring under our notice?—The duty on hardwoods, which is now 2s. per 100 superficial feet.

110. What kind of hardwoods do you require?—Tasmanian and Australian hardwoods—blue-gum, stringy bark, ash, and hickory. We cannot produce that timber in the colony, and I ask that the present duty should be struck off.

111. *Mr. Stevens.*] And lance wood?—That comes from England mostly, and is imported for shafts. Two shillings per 100ft. is very high as compared with the cost of the Tasmanian article. I have an offer for timber f.o.b. Hobart for 4s. 6d. per 100ft. Tasmanian timber is also used very largely by the County Councils for bridges. About one-half the total quantity of undressed timber imported is used in coachbuilding and wheelwright industries. The amount imported last year was 1,900,000ft., realising a duty of about £2,000.

Mr. Mathieson: Elm naves are free; naves from America are 15 per cent. if made of anything else than elm. This Australian box [produced] is charged 15 per cent., and the American one [produced] is free. American ash and hickory spokes are free, but oak spokes, an American article, are charged 15 per cent. We have tried to grow American timbers—ash, elm, hickory—but Mr. Waugh, the Corporation gardener, says the climate is not suitable, and we have been unable to grow them. We recommend that the duty be taken off. Spoke-dressing machinery is charged a duty of 20 per cent.

112. *The Chairman.*] Could not that machinery be made here?—It is impossible to get it here, because many of the machines are of special construction, and built by special men. They cannot be made here without efficient plant, and the lack of demand simply kills it.

113. It would meet your purpose if all coachbuilders' machinery could come in free?

Mr. Bath: Yes. Importing spokes in the rough and making them here does not pay. That was tried, and the people who tried it lost 2d. on each spoke. It does not pay to import them in the rough.

114. So far as you are concerned, would competition keep the price down sufficiently to prevent your taking the amount of the duty out of the customers?—It would come straight out of our pockets.

115. Suppose the machinery came in free, would the consumer get the article any cheaper, or would the price be increased?—Competition would prevent that.

116. How much would be taken off the cost of an article by the remission of the duty?—About £1 in £20. It would cheapen the present cost of vehicles by 5 per cent.

117. Would that tend to lead to an increased demand?—I do not really think so.

118. So, practically, it is a question of doing justice to the industry?—Yes.

119. *Mr. McGowan.*] Have you tried any New Zealand woods in the manufacture of naves?—I have tried kowhai, but it is not satisfactory; and rata for spokes, but it is not suitable—you cannot get sufficient quantities straight enough, and it also splits. We have to import everything excepting the kauri and red-pine, which answer very well for bottoms and sides.

Mr. Mathieson: There is no timber in the world that will compare with hickory for carriage-building.

Mr. Bath: Manuka will make spokes, but manuka spokes cost more than the ordinary iron-bark spokes cost in New South Wales.

120. *Mr. Stevens.*] Would not black-maire answer for naves?

Mr. Bath: We have tried birch, or what they call tauai, but elm is used in England only, and to export it from England would cost more than the Australian boxes.

121. *Mr. Stevens.*] You say ash and elm would not grow in New Zealand?—I think they would grow if a system of forestry were established.

122. *The Chairman.*] Have you ever tried the matai?—It is called black-pine here; it is too brittle.

123. Have you any further matter to refer to?

Mr. Mathieson: Hubs and hickory spokes are free, but the hickory felloes and rims are dutiable. This seems an anomaly, and we ask, therefore, that these rims and felloes be admitted free.

124. *The Chairman.*] Do you import any other kinds than hickory?

Mr. Bath: We get some from Australia.

Mr. Glasgow: Hickory felloes are free, and hickory rims straight are decided to be free.

125. *Mr. Tanner.*] It means you have to bend them when you get them?

Mr. Bath: No; we could not do it, but they get them bent in Dunedin and Christchurch.

126. *The Chairman.*] Then, you want hickory rims, "bent," admitted free?—Yes.

127. *Mr. Stevens.*] What is the difference in cost between imported bent hickory rims and those bent locally?—The locally-bent ones cost more than the imported. If the local makers could make them cheaper they do not. Carriage-lamps at present are charged 15 per cent., and we want them in free as carriage fittings. They are not made in the colony, or if they are we have not seen them here; they have been made dutiable recently.

Mr. Glasgow: I find there has been a decision since the fixing of this tariff making them 15 per cent.

128. *The Chairman.*] You are not aware that there are any manufacturers of these goods in the colony?

Mr. Mathieson: No; we have no very burning questions to bring up. We think the tariff is fair, with the exception of the one or two points we have mentioned.

Mr. Bath: We suggest that all materials carrying duty should be admitted free. Already some are free; the exceptions are those we have mentioned.

128. *Mr. Tanner.*] Are you aware that carriage-lamps are manufactured in Wellington?—No; none of them have ever found their way here.

Mr. Mathieson: I have never seen one locally-made lamp in the colony.

Mr. Glasgow: I think what Mr. Tanner refers to is the making of railway-lamps.

130. *Mr. Mackenzie.*] Supposing we take off these duties, where is the revenue to come from?

Mr. Mathieson: That is not our business.

131. *Mr. Mackenzie.*] You want all kinds of naves and spokes either made dutiable or to come in free?—There are some things we cannot get here nor grow the timber to make them.

132. You are not asking for alterations in the tariff with a view to assisting you to compete with the article imported ready made?—No; we are simply showing a few anomalies.

133. Is the present protection that you have on locally-made carriages quite sufficient for ordinary trade?—That is opening up another large question. I hardly think so. If we got reciprocity with Melbourne they could flood New Zealand with carriages.

134. *Mr. Tanner.*] Does not the term "reciprocity" mean free-trade in raw products?—I think that it means free exchange; it does not exclude anything.

Mr. Mathieson: You did not mean it to apply to manufactured goods?

Mr. Tanner: I have never heard it so applied.

135. *Mr. Mackenzie.*] You support fully 20 per cent. additional on imported carriages, making it 30 per cent.?—That would be less protection than Melbourne has?

Mr. Mathieson: Spedding, of Dunedin, imports direct from America, and another 20 per cent. would put a stop to that.

136. *Mr. Mackenzie.*] Is the quality of these imported carriages superior?—No, they are of very inferior quality—cheap buggies.

137. *The Chairman.*] You mentioned just now that Melbourne could flood us. The returns show that the total value of the vehicles that came from Victoria in 1893 was £17; from America, £698; or from all parts of the world, £3,000.

138. Do you object to your names appearing here as having given evidence on the carriage industry?—Not at all.

(5.) JOHN MCNATTY examined.

139. *The Chairman.*] I understand you appear as a deputation from the Bootmakers' Union?—Yes, of Invercargill, a branch of the Federated Bootmakers' Union of New Zealand.

140. Will you kindly state your suggestions, or what you wish to say?—I have them drawn up here, and it is simply an adoption of the recommendations made by Christchurch.

141. Would you prefer to read the document?—You might take it as read. It is the same as Christchurch. We agree mainly in the recommendations made by the Christchurch union, which have been adopted unanimously by our union.

[Document put in. For details of document, see Christchurch evidence, pages 67-68.]

Signed on behalf of the local manufacturers.

JOHN KINGSLAND AND CO.

Signed on behalf of the Invercargill Bootmakers' Union.

JAMES SMITH, President.
ROBERT HARPER, Vice-President.
JAMES MCINTYRE, Secretary.
JOHN MCNATTY, Treasurer.

142. Do you adopt the recommendations made by Christchurch?—With the exception of one little item: children's boots from 0 to size 6 should be admitted free, the Christchurch recommendation being from 0 to 3.

143. *Mr. Tanner.*] After they had laid their recommendations before the Commission, did they send you a copy?—Yes; we only received it last Tuesday.

144. *The Chairman.*] Did you agree in their view, that this would be for the benefit of the union generally?—Yes.

145. Do you agree, also, that it would increase the amount of labour in your trade?—Undoubtedly.

146. What is the condition of your trade here?—Invercargill is not so bad as, perhaps, Dunedin or Christchurch. The men here are making three-quarter time, taking it all round. The same rate of wages is paid here as in Dunedin and Christchurch.

147. If these changes were made in the tariff, do you think it would have the effect of the colonially-manufactured article displacing the amount now imported?—It would make a difference in one class of goods which we could manufacture, and which they now import to the extent of £1,800 a year; that is one little firm only. If we made these it would keep us fully employed.

148. Are there any curriers in Invercargill?—Yes.

149. Do you use any locally-made leather?—A great deal.

150. Is it true that the greater part of the leathers used in your trade could be made locally equal to the imported leather?—It could not possibly. There are several lines of leathers we shall have to import in all likelihood for years.

151. Do you know what is produced in Christchurch and elsewhere?—Yes.

152. *Mr. Tanner.*] Do you know the leather generally known as East India kip, mostly imported?—All that is used here is imported. The local make is inferior.

153. Have you seen any attempts to imitate it?—Yes.

154. Do you think the samples you have seen are at all suitable to replace the imported East India kip with?—Not what I have seen.

155. Do you know whether there is much importation of sole leather to Invercargill?—I should say, not five pounds' worth a year. There is not one shilling's worth used by the firm I work for.

156. All the bottom stuff is locally made?—It is all New Zealand. Very little comes from the other colonies. We have had a little from Sydney.

157. Do you think, if the tariff were made so heavy as to be prohibitive, it would be possible to make such classes of goods as Court shoes and infants' slippers? Are glacé kid and French styles made in the colony?—Yes.

158. You think it would be possible to displace all the imported work?—I do not think it possible for some years.

159. But a heavier duty would have the effect of displacing some, and of giving employment to many men in the colony?—Yes.

160. Would that tend to raise the price of boots to the wearer?—I do not think so. It might raise them per pair, but when it comes to the class of boots the wearer would have the advantage.

161. Which means that the class of stuff shut out would be a class the colony would be well rid of?—Yes; very well rid of.

162. *Mr. Mackenzie.*] How many bootmakers are there in your union here?—Thirty-four.

163. What is the average wages of the men making three-quarter time?—From £1 18s. to £2 per week, piecework.

164. Regarding this sliding scale that your association has approved of, do you not think that it is very heavy on the poorer classes, and very light on boots of the wealthy class?

165. There is 48 per cent. extra proposed on boots invoiced at 5s. per pair, and only 7½ per cent. on boots invoiced at £1 per pair?—We make them here—that is, the £1 ones.

166. If that is so, where is the use of putting on more protection to keep them out?—We would not ask for it.

167. Take the women's boots at 5s.—are you not making them here now?—Very few are invoiced at that price; viz., 5s.

168. If the 48 per cent. goes on these boots it means an increased price to the people who have to buy them?—No. We do not make that sort of boot. One pair of those we make would wear out two of the imported ones.

169. Why, then, do people buy the inferior imported boots?—We consider we will be able to keep them out, and get better value for our money.

170. Would you consider that in the case of boots invoiced at 5s. per pair there would be any necessity to put a great deal of brown-paper stuff into them?—Yes.

171. *The Chairman.*] Do you object to your name being published as having appeared on behalf of the union?—No.

(6.) James Richard Richards examined.

172. *The Chairman.*] What are you Mr. Richards?—Manager of the New Zealand Chemical Manufacturing Company, carrying on business in Esk Street, Invercargill. It has been established two years.

173. How many employés have you?—We have four in the factory, and three travellers, besides agents.

174. What are the wages paid?—From £3 a week downwards. We have a lad at 10s., one man at £2 8s., and one at £2.

175. What is the matter you wish to mention?—Amongst the articles we manufacture is sheep-dip, which is at present allowed in free. Last year there was imported into the country sheep-dip to the amount of £26,644; and the manufactured article is admitted duty-free, whereas some of the articles we manufacture our dip from are charged duty. We pay 6d. a hundredweight on sulphur, and 6d. a gallon on petroleum-oil.

176. Can you not get sulphur in the colony?—Captain Fairchild tells me there is not a ton of sulphur at White Island. We cannot get it locally made.

177. You claim exemption of duty for these articles?—Yes.

178. *Mr. Mackenzie.*] Your intention is to get the duty off these things, in order that you might be able to charge a less price for the dip?—At the present moment we have to compete against the foreign manufacturers. If the duty were off we could then make a better and cheaper article.

179. Are you not now competing successfully against them?—Not while some of the imported ones are cheaper than my own. If I got these concessions I could then compete successfully against the imported.

180. Would it not be better to leave the imported article as it is?

181. I suppose the duty on crude petroleum is equivalent to 100 per cent. of its cost?—Very nearly so: you buy it at 10 cents in America.

182. *Mr. Stevens.*] What duty do you suggest on the imported dip?—10 or 15 per cent. would be quite sufficient.

183. Was your dip submitted to the test to which the other sheep-dips were submitted two years ago in Hawke's Bay?—No.

184. Do you consider your dip equal to Macdougall's?—I consider it superior.

185. To Cooper's?—There is scarcely any dip superior to Cooper's, because of the latter's portability. That is the only advantage of Cooper's dip, as the colonial dips are all liquid dips.

186. *The Chairman.*] Is there any other matter?—Yes. My firm is prepared to spend £1,000 on the erection of a candle-factory, but there is a duty of 20 per cent. on the candle-machines. Each machine costs in London £25. They cannot be made in the colony, and we ask that this

duty should be taken off. About twelve hands would be employed. There is also a duty of 2d. per pound on candles, and 1½d. per pound on the raw material, the paraffine wax. This cannot be produced here at present. I have undertaken to take all the Orepuki Shale Company can produce. I ask for the removal of this duty, to enable us to successfully compete with the imported article.

187. Is paraffine used for any other purpose than candle-making?—Not that I am aware of.

188. *Mr. Mackenzie.*] Was not that duty put on to assist the Orepuki Shale Works?—I do not think that company has been developed yet; it is not working.

189. But there was a great talk about it at one time being worked?—They tried to float it into a company a little while ago.

190. Who is in it now?—Mr. Ward has something to do with it.

191. What are the candles imported here?—Principally from Germany, where labour is so cheap.

192. Do they not make paraffine wax candles here?—I think McLeod, in Dunedin, is making a few.

193. If this 1½d. per pound duty were removed, would you make candles and compete against those imported?—We would sell them cheaper.

194. *Mr. Stevens.*] Do you use any tallow in making candles?—We use tallow-stearine.

195. What quantity would that represent?—One-eighth.

196. And the remainder of the ingredients would be imported?—Yes.

197. Do you think they could be produced here?—I think, if the Orepuki shale were properly developed, it would produce a good candle, because the amount of wax in it is far greater than in the Scotch shale.

198. Do you ever use cocoanut-oil or palm-oil?—It has to be acidified and distilled, and that would mean plant to the extent of £6,000.

199. *The Chairman.*] If you produced the paraffine candles, would not they come into competition with the stearine?—No; some people want a better class of candles than others. The paraffine is a higher-priced candle, and a better article.

200. Have you any objection to your name appearing?—Not the slightest.

(**7.**) Joseph Hatch examined.

201. *The Chairman.*] What are you, Mr. Hatch?—A manufacturer of sheep-dip in Invercargill.

202. Will you kindly state what matter you appear on?—I appear chiefly in the oil and sheep-dip interest.

203. We will take the dip first?—You will find the returns of sheep-dip industry in the blue-books for 1893, folio 108. We have been established about fourteen years. The amount of dip imported in 1893 was £26,644, and we really think that ought to come under the heading of druggists' sundries in the tariff, and pay duty accordingly—viz., 15 per cent.

204. Would that increase the cost-price of the dip to the consumer?—The difficulty we have is that every financial house has a dip agency from Home, being allowed from 15 per cent. to 33⅓ per cent. commission; and if a duty were placed on an article such as dip we maintain that one-half of the duty, or say 10 per cent., would come out of the agents' commission, thus equalising the commission to what the local manufacturers can allow. The reason we cannot compete is because the local manufacturers cannot give the commission the importers now get, but the extension of the business through the imposition of a duty would naturally create work in the two branches of our manufacture—viz., oil and dip—for they practically work in with one another. There are a number of local manufacturers beside myself—Brooks, Merton, Kempthorne Prosser (Limited), Begg, Peacock, Owen, New Zealand Chemical Company, &c. There are about fifteen local dips and about twenty imported ones. Taking the actual cost of dipping, there are twenty millions of sheep according to the last year's returns, and I reckon about two-thirds of these would be dipped. That leaves thirteen millions to be dipped. A lot of these proprietors of dips advertise that their dip costs ½d. per head, and if you make a calculation from that you will find it comes to a little more than the value of the dip imported in 1893, and leaves absolutely nothing for the local people.

205. But the local makers do a certain amount of business?—Yes; but we do not think they can dip sheep for ½d., and it shows there is very little left for the others. So far as we are concerned, we have reduced the price from time to time, and we have given casks and packages free; and with an increased consumption we should certainly not increase the price. I should feel inclined to reduce mine if I could sell more, but it is the quantity we want at present. We are at a great disadvantage here, and our trade is most restricted. It would pay a man who had a really good article to go Home, where he would get cheaper labour, cheaper freight, and a wider field. Another matter is that some of the raw material we use—sulphur—is dutiable—6d. a hundredweight.

206. You want the duty off?—I do not care whether it is off or not. It only comes to £55 a year for the colony.

207. Could you not produce sulphur in the colony?—It is not manufactured in the colony in the way we could use it. It is not a sublimate at all. In connection with the empty packages, we have to pay duty on our drums. We cannot buy sufficient empty drums in the colony, and they are not made in New Zealand. We have to import them from the neighbouring colonies, and are now charged a duty of 20 per cent. We passed them free, but it was queried from Wellington, and duty charged. I think it is most unfair to charge us duty, more particularly as the very same packages are allowed to come in full of other people's dip duty-free.

208. What do you apply for in regard to oils?—6d. a gallon duty is charged on "oil, mixed or blended," with the exception of those that come from China and the South Sea Islands. The large bulk of these oils are really mixed oils—*i.e.*, a certain amount of fish-oil mixed with a certain amount of petroleum-oil, which makes a lubricating oil. The reaper-and-binder people get their

machines in free, and make a point of telling all their customers that their machines will not run unless they use the Buckeye oil or the Osborne oil, as the case may be; and, now that the whaling industry has been completely wiped out, these people cripple the whole thing. We sell our lubricating oil cheaper than they do, yet we are at a disadvantage, because they make people believe the machines will not run unless they have a special oil. We argue that we ought to be allowed to import free these petroleum oils used for blending, and to mix them in bond. I do not know whether the regulations would permit of mixing the oils in bond at present.

Mr. Glasgow: No.

Witness: I maintain that these n.o.e. oils should be charged 1s. a gallon, and that we should be allowed to blend our oils in bond. The amount represented is 550 tons of oil. We also do a large trade with the twine people, and I have experienced a great deal of difficulty in this matter for some years, for since the twine-manufacturers in England found it advantageous to use whale-oil our industry has been almost ruined. Here they use ours, but there is a firm that used oil which was charged duty in 1894. Previously it was admitted free. In view of this duty, they are now importing a kind of "washy grease," which is the refuse of the factories at Home, and getting it in free, in place of oil, which is far better for them. We have sent oil to Melbourne and Adelaide, but this grease is imported for £9 or £10 a ton, and you cannot sell oil for that. It costs us more to produce it. We have already reduced the price from £30 to £20, and we give the casks in, which formerly were paid for. They have asked us to reduce our oil to £10, which we cannot do. We certainly think that "oil grease" ought to be put on the same terms as petroleum-oil, which is charged 6d. a gallon. We could then make a fair thing.

Mr. Glasgow: Sixpence a gallon by the tun?

Witness: There are 252 gallons in a tun; about £6 a tun. No one can produce it as at present; it means shutting up our industry altogether. My Macquarie Island plant cost, with vessel, £3,000, and the industry employs twenty hands. I also think that axle-grease and similar articles ought to be dutiable instead of being made free as at present, seeing we are a tallow-producing colony. The twine people are protected in their manufacture, and they make nothing but twine, and, although they can get a locally-made oil pretty cheap, they use the imported grease. They may have to pay a little more for the oil, but they get it in the difference in the quality.

209. *Mr. Mackenzie.*] Drums containing imported dip are free?—Yes, but if we import empty drums we have to pay duty.

210. And that washy grease or mixed shale-oil is not nearly so good for making binder-twine as the fish-oil?—Not half.

211. *Mr. Stevens.*] You state that axle-grease ought to pay duty: how much?—15 per cent. to 20 per cent. would do.

212. *The Chairman.*] Have you any objection to your name or evidence being published?—No.

Witness: I omitted to mention that there has always been a great difficulty in deciding what is really the meaning of the term "oil-shale waste"—free in the tariff; and it was through this that a lot of oil used by twine-manufacturers came in free for a long time which really was a mixture of oil, animal-fat matter, &c., and really entitled to pay duty. I would therefore suggest that this particular item should be taken out of the tariff altogether. My suggestion is to increase the duty on "mixed oils" only.

WEDNESDAY, 27TH FEBRUARY, 1895.

(8.) DEPUTATION of SOUTHLAND FRUIT-GROWERS, &c. (Messrs. HENRY McLEAN, SAMUEL RICHTER, ROBERT CLEARE). The deputation was introduced by Mr. J. W. Kelly, M.H.R.

213. *The Chairman.*] Who will be your spokesman?—Mr. McLean.

214. You are a deputation representing the fruit-growing industry, Mr. McLean?—Yes.

215. How long have you been following the industry?—For thirty-three years in Invercargill and twenty years in Auckland.

216. What kinds of fruits do you grow here?—We can grow plums, peaches, apricots, nectarines, apples, pears, and all the small fruits, such as currants, gooseberries, and raspberries. Under glass we grow grapes to perfection.

217. What is the quality of the fruit grown in Southland, speaking generally?—We invite your presence at the show, when you will be able to judge for yourselves. Apples, pears, and plums are grown to perfection, also the small fruits.

218. What sort of yields do you get?—We can grow them in tons.

219. What sort of market have you? Do you find a ready market for all you can grow?—Decidedly not.

220. Is it because you can grow more than can be locally consumed?—We could grow more and fully supply the market if we were protected from the outside fruit.

221. Do you get remunerative prices for what you do sell?—No.

222. What amount per pound would keep the industry going?—1d. per pound on apples; but we want 1d. per pound duty.

Mr. Cleave: 2d. per pound for apples and small fruits is a remunerative price.

223. *The Chairman.*] And for peaches, plums, and nectarines, what is a paying-price, Mr. McLean?—Mr. Cleave is selling plums for 2d. per pound. There is a small demand for peaches and apricots. Plums and pears will pay at 2d.

224. But you do not command this price?—No.

225. What does the local market give you?—I saw six cases of apples sold last Saturday for 5s. There were 40lb. in a case.

Mr. Richter: I sold sixteen cases of first-class apples, and I received 1s. 6d. and 1s. 3d. a case

226. *The Chairman.*] What is the reason for this state of things, Mr. McLean?—The Tasmanian fruit comes in and competes with us, and Tasmanian growers are prepared to sell at a loss, to bluff the market. Fruit imported from Tasmania has been sold here at auction for less than the duty it paid—for less than ½d.

227. Is it not the fact that Tasmanian fruit comes into the market earlier than the same fruit ripens here?—It might be about a fortnight before.

228. Their fruit is gathered before it is ripe?—Yes; it ripens in transit.

229. What is your remedy for this?—The duty should be raised to 1d. per pound. That is the price at which we are prepared to sell.

230. Supposing that that duty were imposed, and you secured the command of the local market, is there any probability of your being able to form a ring amongst yourselves to make the consumers pay more than the fruit is worth?—It would be impossible to make a ring. Village settlement is very popular in Southland, and all the village settlers, with their 10 to 50 acres, go in for fruit-growing. Their very numbers would prevent us forming a ring.

231. Do you go in for tinning fruits on the American plan, or for drying fruits?—No. If there were protection for a while we would go in for cider.

232. Cannot cider be manufactured now and sold under the existing duty?—I do not see why it should not.

Mr. Cleave: We made five ¼-casks last year.

233. *The Chairman.*] Does the importation of American tinned fruits interfere with the sale of winter apples, Mr. McLean?—I do not think so.

234. Is there much done in the way of jam-making?—I believe there are one or two jam-factories in Invercargill, and in connection with this a sort of pulp is imported for jam-making. The duty on this is too small.

235. Are imported raspberries used in Southland?—Yes, for jam-making.

236. Yet you say this is a district where raspberries grow exceptionally well?—Yes.

237. Would ½d. per pound be sufficient on fruit imported either as fresh fruit or sulphurised fruit?—We want 1d. per pound.

238. *Mr. Tanner.*] Can you ripen peaches in this climate?—Yes; but they require shelter. You can grow them twenty miles from Invercargill.

239. Can you ripen apricots?—Yes.

240. Is it not possible to ripen them within forty miles of Invercargill?—Along the coast, certainly not; forty miles out we can ripen them.

241. Am I to understand that, in your opinion, the Tasmanian fruit-growers ship their fruit to this colony in the earlier part of the season, when they can make a reasonable profit out of it, and afterwards, to demoralise the local market, and to break down the local trade, sell at a loss?—I say so decidedly. They do so for the purpose of aggrandising themselves; they make a profit on the later lots.

242. Is it not a fact that fruit is often sold at a loss in the colony, independently of all outside competition, on account of the fact that when it is once gathered it is of a perishable nature, and must go for something?—That is not so.

243. Have you any knowledge of the crop in central Otago this year?—I have heard it is rather bad.

244. *Mr. Mackenzie.*] You suffer no drawback in the way of carriage?—The Government concessions already have been of great benefit.

245. How far are your gardens out?—We live within three miles.

Mr. Cleave: They run, away to Dipton thirty-five miles, and to Orepuki forty-five miles.

246. *Mr. Mackenzie.*] Some growers contend that it is the carriage that kills them, Mr. McLean?—I send fruit to Riversdale at 1s. per 100lb., which is a great advantage.

Mr. Cleave: Before these concessions were made on the railways I never sent cases of fruit to Dunedin; since Saturday I have sent 150 cases of plums.

247. *Mr. Mackenzie.*] You want this duty of 1d. per pound on fruits that can be grown in New Zealand—not on oranges or bananas?

Mr. McLean: Oh no.

248. Did you ever try to export apples Home?—I am exporting fifty cases now.

249. Have you ever sent any to California?

Mr. Cleave: I sent a case to the Exhibition at Home, and received 10s. in return. I sent it as general cargo, and then I did not get a fair show, because there were several varieties which would not keep as well as others. This year I am sending 150 cases.

250. Did 10s. pay you?—I never got any report as to what apples arrived Home in the best condition.

251. Would it pay you to ship at 10s.?—Yes.

252. Do you pack them in paper?—Yes.

253. You have not thought of trying California?—New Zealand has as great facilities for sending Home as any part of the world. We can send fruit in the cool-chambers, if packed properly, at very little expense. Shaw, Savill, and Co. agreed to send mine Home at £2 10s. a ton.

254. What you ask for is that your fruit should really be protected by handicapping the Tasmanian, in order that you might be able to develop your internal and outside trade as well?—Yes. Tasmania is sending Home all the best fruits and keeping the rubbish.

255. I suppose we can see the best varieties at the Show to-day?—Yes; I have the best varieties there, all grown within a radius of three or four miles from Invercargill.

256. And twenty miles north of Invercargill you can grow peaches and apricots splendidly?—Mr. McLean did not go far enough. I look upon Lake Wakatipu as belonging to this district.

257. The poorer classes have not adopted fruit as an article of food?—No, because it is too dear.

258. Do you not think the effect of this increased duty would be to still further remove their chances of getting fruit as an article of food?—No, fruit would get cheaper, because more people would start the industry.

259. Can you grow prunes or olives?—I could not say.

260. *Mr. McGowan.*] Do you get a better price for the earlier fruit, Mr. Cleave?—No, the late fruit.

261. Do you not get a better price for the late apples?—Yes.

262. Is it not the wish of the grower to have his fruit as early as possible in the market?—Whether it is his wish or not, I think it comes in early.

263. And the people who plant orchards are anxious to have their trees bearing fruit as early as possible, and in purchasing trees they always want the early-fruit producers?—Yes; trees that crop quickly.

264. That being so, must not they take the consequences of having too much fruit in the market?—Yes.

265. Can you give me any reason why the six cases of apples were sold at 5s., Mr. McLean?—Because the market was glutted.

266. Was it good fruit?—Fairly good.

267. You have stated that here you can grow hardy fruits as well as any place in the world. If that is so, why should you want additional protection?—Because the Tasmanians have later apples, and, the future production being sufficient to pay them, they wish to harass us, and, to do so, send in their earlier fruits, and sell them at a loss.

268. Are their growers likely to continue selling fruit at a loss?—If they make a profit at the end of the season; and they hope to have the market to themselves in the future by driving the local people out.

269. You state the Tasmanian fruit is generally a fortnight earlier: do you desire to prevent New Zealand people having fruit until their own is ready?—I certainly say that if they want luxuries they should pay for them.

270. Are you aware that drying fruit has been in operation in New Zealand for some time?—I was not aware of it.

271. That is the case, and the duty you wish to put upon fruit would be a complete bar to that industry, and would also curtail your market for your green fruit. You say you cannot grow apples at less than 2d. per pound. Do you know what quantity of green apples it requires to make a pound of dried apples?—I have read that it takes 6lb.

272. Supposing it takes 6lb. and that 2d. was a fair price, 1lb. of dried apples would cost 1s.

Mr. Cleave: Put on a duty of 3d., and apples here would be cheaper than they are at any time now.

273. *Mr. Stevens.*] You state, Mr. McLean, that one reason why Tasmanians could send fruit Home was because they had better means of preserving it: do you mean packing it?—I mean keeping it from the time they take it off the tree to the time it is sent to the market. They keep it in airtight cellars for a considerable time.

274. If you had sufficient inducement you could build the necessary cellars?—Yes. Tasmanian apples have been sold in Invercargill for 15s. and 18s. a case, as the result of good preserving.

275. You state that by the imposition of a further duty fruit would become cheaper in New Zealand?—It appears so to me, because fruit has become cheaper since the first duty was put on.

276. Would you explain how fruit could become cheaper if you put on a high duty?—The production would not be any larger than the consumption would be, unless other industries were opened up, such as cider-making.

277. Will it pay, Mr. Cleave, to grow apples if you can get a maximum price of 2d. per pound—say, 2d.—for your best apples and ½d. for windfalls?—That is so.

278. Therefore, if you get an average, say, of 1½d. per pound, that would pay you well?—Oh, yes; 1¼d. even.

279. If the imposition of the duty made fruit cheaper by reason of the extra quantity that would be grown in New Zealand, you would defeat your own object, would you not? How can it advance your interests?—Because the market would become easier on account of the absence of the imported fruit, and we should be able to sell ours.

280. Do you think there would be any market for your fruit in any of the eastern countries, Japan and China?—I have no idea about these things at all.

281. What time will an average apple keep?—The best will keep from four to six months.

282. *The Chairman.*] Do you wish any class of fruit added to the list of foreign-grown fruits already included in the halfpenny duty?—Raspberries.

283. Do you object to your names being published?—No.

MEMORANDUM by the SECRETARY FOR CUSTOMS.

The Chairman, Tariff Commission.

MEMORANDUM on suggestion that duty should not be charged on cases containing goods subject to *ad valorem* rates:—

This matter was brought under notice when the tariff was considered in 1888. No change was made, because it was found that the revenue to the extent of about £9,000 would be sacrificed. If I remember rightly, it was estimated that on average drapery goods casing amounted to about 2 per cent. of the value of the goods. The additional duty would therefore be, roughly, 0·4 per cent. This duty is not paid by the importer, who takes care to recover it from the consumer. If remitted, it would probably still be charged to the consumer in many cases. I see nothing in the argument that importers cannot sell their cases at the original cost, because, no doubt, this is taken into account when costing the goods. The consumer has ultimately to make good this loss.

I think it is a sound principle in connection with *ad valorem* rates that they should be levied on the total sum paid by the importer. If a part of the value is subject to duty, and another part free, there would be a tendency to so arrange invoices as to make the latter more than it should be, the matter being adjusted in the price of the goods by discount or otherwise. When the cost of a piano is, say, £13, and the case £1 10s. to £2, the temptation to do this will be apparent.

In the United States and Canada duty is charged on casing. In Victoria it is not. Setting aside the loss of revenue, I think there is sufficient reason for objecting to the concession asked for.

27th February, 1895. W. T. Glasgow.

(9.) John Fraser examined.

284. *The Chairman.*] You are a monumental mason?—Yes, I have been twenty years in the trade in Invercargill. I desire not to have my application published in the local papers, nor my name.

285. Do you employ any labour?—Two men, at 8s. and 12s. a day.

286. What is the matter you wish to mention?—As you are aware, there is a duty of 20 per cent. on imported manufactured goods; on marble in the rough, 5 per cent.; on imported monuments, 20 per cent. There are certain people who import the stone here, and, say the stone is worth £10 in Italy, they invoice it at a very low rate, and after it is cleared through the Customs £5 is added to the invoiced price, and we have to pay that price.

287. What do you ask?—That more duty should be put on the manufactured goods; either granite or marble monuments.

288. What do you wish the duty raised to?—I am not prepared to say exactly, but it should be doubled.

289. Supposing the duty were raised to 40 per cent., would that stop the importation of these monuments?—It would.

290. What additional labour could you then employ?—Perhaps six men would be kept in constant work.

291. Are you the only monumental mason in Invercargill?—There is another man, but his business is not on a large scale.

292. *Mr. Tanner.*] Are you quite satisfied that the middlemen of whom you complain are in the habit of importing this marble and representing it to be worth very much less than its real value?—It is a difficult thing to prove, but unless they do something of that sort they could not produce the work.

293. Are there Italians in this colony who are proprietors of marble quarries in Italy?

Mr. Glasgow: Mr. Lucchinelli, of Melbourne, is either a partner of a firm in Italy or an agent. They import large quantities of marble goods to Australia, and they sell this marble to customers in New Zealand at a price including duty and all charges. They send to the purchasers here an invoice in the terms the witness has mentioned. I know of one case in which marble was invoiced to the purchaser at £36. They sent the goods consigned to an agent, and sent him, for Customs' purposes, an invoice, purporting to be the Italian value—in that case it was £12. The Customhouse agent paid duty on the £12, and his instructions were to deliver the goods to the purchaser. Now, in a case of that kind at Napier, the Customs Department came to know that the purchaser had an invoice much in advance of the invoice in possession of the Customhouse agent, and the Collector insisted upon getting duty on the higher invoice, less a reasonable allowance for freight from Sydney. That action was supported by the Commissioner of Customs. Mr. Lucchinelli came over to New Zealand, and had a long interview with me in my office—a very stormy interview—and insisted that, although the goods came direct from Sydney to New Zealand, the duty should be on the value in Italy. I contested that proposal for this reason: that the invoice that was in the hands of the Customhouse agent was of no value for Customs purposes, and that there was actually another invoice showing a much higher value, and we insisted on getting duty on that higher invoice, with a reasonable allowance for freight. Mr. Lucchinelli threatened us with legal proceedings, but we stuck to the decision, and he has taken no action. We have circulated that information to all the Collectors in New Zealand, and I am rather surprised if in Invercargill Mr. Lucchinelli can pay duty on the Italian invoices.

Witness: It is not a month ago since I got stone through Cuff and Graham in Christchurch.

Mr. Glasgow: It is quite possible that Cuff and Graham have to pay duty on an advance. We have had a great deal of trouble with goods of various descriptions dealt with in a similar way by Australian houses who expect to be able to do business in New Zealand as if they were New Zealand importers.

294. *Mr. Mackenzie.*] Is it not possible to do anything with New Zealand stone, Mr. Fraser?—It is good marble, but it is all shaken. We have granite from Ruapuki equal to Aberdeen, but it wants mica.

295. Have you not had any granite from the Sounds?—It seems to be shaken also.

296. Have you used any Waikawa stone?—Yes.

297. Is it taking the place of granite?—No, nor of marble either.

298. Do you not use it for monuments?—Very little.

299. *Mr. Stevens.*] In the purchase of manufactured granite is not a standard scale adopted, say cubic measurement, for the various grades of granite?—There is only one class of granite, but different colours. Peterhead granite is red; Aberdeen, gray.

300. Are they all the same price?—Yes.

301. Do you purchase the raw material at per ton, or per cubic foot?—At about 10s. to 12s. per superficial foot in Aberdeen.

(10.) Dr. Henry Martin Levinge examined.

302. *The Chairman.*] You are a doctor of medicine, practising in Invercargill?—Yes.

303. What is the matter you wish to bring before the Commission?—The chemical industries. Acetate of soda, at present imported, should be made in the colony. The wholesale price in England is 10d. per pound, in New Zealand 2s. 6d. per pound.

304. What course do you think should be taken to promote the industry in the colony?—To offer a bonus for the manufacture of acetate. It is landed here for about £26 a ton, and sold at about £127 a ton. The big drug companies live by importing these things from England and selling them at an enormous price here. It is not sold here as acetate, but as soda, and it is imported for the purpose of making acetic acid by Kempthorne, Prosser, and Co. Acetic acid is sold in England at 10d. per pound, and in this colony at 2s. 6d.

305. Is the acetate of soda used in the making of acetic acid?—Yes; I examined a 2s. 6d. bottle of Coutt's acid some years ago, and there is just threepennyworth of acetic acid in it, and the rest is English water.

306. If there is this large quantity of acetic acid imported, have you any idea of what the consumption of the locally made would be?—There is no such thing as locally-made acetic acid. If you look at the back files of the *Otago Daily Times* for 4th October you will find a statement made by Mr. Kempthorne that they make all the acetic acid that is used in the colony in two months. I replied to his statement, asking if he ever made a drop of acetic acid from this soda, and he said, "Not a drop." It is obtained by burning wood in retorts. The acetic acid is given off, and a cord of wood burnt in that way would probably yield about 80lb. of acetate of soda. It is an industry that ought to be started here.

307. What amount of bonus would suffice, do you think?—I cannot tell you that.

308. Should the bonus be at per ton or at per certain quantity?—You want a capitalist to take it up—about £500 or so for the first 20 tons. You can make creosote and methylic alcohol by the same process that you get the acetate.

309. Do you want the duty raised on the imported article?—I do not think you would want a duty with a bonus.

310. *Mr. Tanner.*] Are you aware that a proposal to effect this has already been laid before the public?—Laid by myself probably.

311. The process is really the process of distillation?—Yes.

312. Would it not require a considerable amount of plant?—Somewhat.

313. Valuable plant?—I do not say that.

314. Can the alcoholic result distilled from wood be manufactured in any way so as to be made into a drink?—No; I do not think anybody would touch it.

315. *Mr. McGowan.*] I gather your difficulty is not so much the duty imposed on the imported article as the difficulty of getting those who require the article to purchase it if it is locally made?—New Zealand people will not support their own manufactures.

316. *Mr. Stevens.*] Is any special kind of New Zealand wood necessary?—I have tried three different kinds, and they seem to produce pretty well the same result—manuka, maple, and broad-leaf.

317. If we recommended a bonus, could we be quite certain it would not be defeated by a ring?—New Zealand is strewn with the wrecks of these things. I would not try it myself.

(11.) John Kingsland examined.

318. *The Chairman.*] You are a confectioner?—Yes, and have been in business in Invercargill twenty-five years. I employ eleven regular hands, besides casuals. Two heads of departments receive £2 15s. a week, another £1 10s., and the other workmen average 12s. to £1.

319. What is your application?—To have the duty taken off block chocolate; the present duty is 3d. per pound. It is used in the manufacture of chocolate-creams confectionery. The duty was put on in 1888; prior to that it was free. Hudson started a chocolate-factory, and the duty was imposed to help him.

320. Was not that duty against Hudson's interests?—The raw cocoa-beans come in free, and are used in the factory, and for that reason the duty was put on. It takes expensive machinery to clean the chocolate.

321. Is the block chocolate manufactured at Hudson's factory?—If we send for it they will not guarantee to give us the block chocolate. This is the block chocolate [produced] just as it comes from the mill. In this state it cannot be used as a drink. This cocoa-butter [produced] is extracted from the block chocolate.

322. *Mr. Tanner.*] Do you import both separately?—Yes. In making chocolate-creams we cannot make them without the addition of some of this cocoa-butter or cream, and that comes in free, but the block-chocolate is charged duty.

323. *The Chairman.*] Do you call this cocoa-cream or chocolate-cream?—That is cocoa-butter, and I point out the inconsistency in the tariff, seeing that both are products of the cocoa-bean.

324. Is the cocoa-butter imported?—Yes. Hudson makes a substitute for it, but he cannot keep up with the demand, and he has to import it. I believe another factory was talked of in Wellington.

325. You think he cannot supply the whole quantity required?—He was giving us the block chocolate, but in the cocoa-butter I have known two or three cases where Hudson sent block chocolate, and it has been adulterated with starch. He has a monopoly.

326. *Mr. Tanner.*] Hudson sells this at 1s. 3d.?—Yes; it costs £6 per hundredweight in London.

327. And the threepenny duty makes it 1s. 6d. here?—Yes.

328. *The Chairman.*] Does the duty raise the price much to the consumer?—It is against us.

329. What is the retail price per ounce of chocolate?—2s. per pound.

330. Would the removal of the duty enable you to sell at less?—It affects the wholesale purchaser and not the retail price. We sell at 1s. wholesale, Hudson at 1s. 2d., but for every pound he uses we are handicapped 3d. per pound.

331. Is there any other matter?—We are importing a good many raspberries from Hobart.

332. Are they sulphurised?—No, perfectly fresh.

333. Do they not come in free?—Yes, if they are fresh.

334. If they are preserved or in pulp?—No.

335. Have you any objection to paying ½d. per pound duty, provided they are allowed to be treated with a preservative only, and not manufactured in any way?—No.

336. And you want to be allowed to use any preservative you please?—Yes.

337. You know that ½d. per pound is paid on fresh fruits?—On some fruits.

338. Supposing that raspberries were brought under the same tariff as other fruit, and the duty were raised to 1d. per pound, would it affect your industry in any way?

339. Do you use the raspberries for jam-making?—Yes; I made an offer to a man for half a ton at 4d. a pound, and I could not get them.

340. I think if you travelled into the interior you would find people who would grow them if you ordered a large enough quantity?—I have not seen raspberries under 4d. a pound.

341. You say you offered 4d. a pound for half a ton and could not get the order filled?—No; I had to cable to Hobart for them at the last moment.

342. Is it a fair question to ask what you can import raspberries for at present, without the duty?—You can buy them in Hobart for 1¾d. per pound.

343. What do they cost landed here?—About 2¼d. would cover all costs.

344. Is there any other matter?—I think the duty on biscuit-making machinery and confectioners' machinery is too heavy.

345. Cannot you get it made here?—You cannot infringe patents. Our machinery now pays 20 per cent., and we ask that it should be free. I have also to suggest (it is only my own private opinion) that all free goods should pay a duty, say, of 2½ per cent. I make this suggestion on the principle that free goods ought to help to stand the cost of the working-expenses of the Department of Customs as well as the dutiable goods.

346. *Mr. Mackenzie.*] Did you say you paid ½d. duty on some of the fruit you imported from Tasmania?—Yes.

347. You get your raspberries free, as a rule?—Yes.

348. You say you offered 4d. per pound for New Zealand raspberries, which is double the price of the Tasmanian?—Yes.

349. Why would you give a preference to New Zealand fruit?—Because New-Zealand-grown raspberries are better, and I get better results from them.

350. You would agree now to contract that two years ahead you would give 4d. a pound for raspberries?—I would give 4d., but the local growers are too lazy to grow them.

351. Would your suggestion to put a duty of 2½ per cent. on all free goods include such things as seeds, agricultural implements, cornsacks, and guanos?—Yes. I say all these things should bear their share, and help to pay the working-expenses of the department, as they require as much care as the dutiable goods.

352. But you forget that these goods are used by people paying land-tax.—We all pay taxes, and are the same in that respect.

353. No, we are not. The land-tax alone pays more than would keep half a dozen Customs Departments going, and that tax has to be paid by farmers, whether they make anything out of their land or not, whereas you city people only pay tax after you enjoy an income of £300 a year, free: is that not so?—I did not know that.

The Chairman: But, then, some lands are free.

Mr. Mackenzie: Not if over £2,500 "unimproved value." All then is taxed, whether with income or not.

Mr. Tanner: How about a £1,900 man?

Mr. Mackenzie: He would pay on about £1,600.

Mr. Tanner: And the £490 farm?

Mr. Mackenzie: Well, as nearly all are mortgaged, or about 90 per cent., we are told, and as all mortgaged money is taxed, very few escape.

354. *Mr. McGowan.*] Do you use cocoanuts?—No.

354A. Then, you do not use the cocoa nibs?—It takes special machinery for it, which is very expensive.

355. *The Chairman.*] Supposing the course you propose were taken, would there be any danger of the block chocolate being imported from Home in a better-prepared state than it is now, so that it would be in a condition to be used by the manufacturer without any further process taking place here?—I suppose there is just that possibility; if they get a good thing, it is always abused. Almonds imported for confectioners' use were also used for the table a few years ago, but I do not think there is any likelihood of what you refer to being done.

356. *Mr. McGowan.*] Block chocolate, chocolate-butter, and preserved fruits are what may be termed an expensive sweetmeat, and being expensive they become a luxury?—Decidedly they do.

357. *The Chairman.*]—Do you wish your name or evidence published?—I do not mind.

(12.) R. F. Cuthbertson, Secretary, Southland Agricultural and Pastoral Association, examined.

358. *The Chairman.*] You attend, Mr. Cuthbertson, in pursuance of an invitation we gave you?—I regret having been out of town during the day, and am able to come only now.

359. Our object in asking you to meet us is this: We have had requests at different places, on behalf of a number of local industries, for further assistance through the tariff, and, as your

association represents practically the customers, we thought we should like to give you an opportunity of meeting us, and expressing your views as to the several proposals submitted to the Commission, if you have formed any views on the matter. It is argued that machinery used for agricultural purposes should be subject to a rate of duty which will enable the manufacturers here to compete with the manufacturers abroad. The argument is that if they get this assistance through the tariff they will be able to supply to the users as good an article as can be imported, if not better, and at as low a price. Temporarily it may cost a little more, but in a very short time the position will be that which I have stated. They explain that the reason why they cannot compete without the alteration of the duty is because they cannot command a sufficient output; the present trade does not pay them to set up the necessary machinery to enable these goods to be made in the colony in the most approved fashion. They say that if they get assistance temporarily the result will not be to impose any additional cost upon the farmers. Do you indorse that view, as representing the interest which is the interest affected in the matter?—It is quite a novel idea to me. I have never heard of such a proposition before, and I am perfectly certain that the farmers as a whole will feel very much astonished at the views which have been submitted to you by the local manufacturers of agricultural machinery.

360. Do you yourself think that the representations made by them are likely to work out correctly?—I am quite satisfied they will not, from my own knowledge of the requirements of the community, from my own experience as a colonist of over thirty-four years standing, and from my own practical acquaintance with agriculture.

361. There is the binder-twine question: what do you think of that?—The farmers of Southland are distinctly in favour of removing the duty upon binder-twine, so far as my experience as secretary of the Agricultural and Pastoral Association goes.

362. Curiously enough, there are allegations on both sides with regard to that. It is stated that whether there is a duty or not it really does not affect the case, for the reason that binder-twine now is supplied in New Zealand at a price at which it could not be supplied if manufactured elsewhere—that is to say, that the locally-manufactured article can compete with any article that could be made in any country and brought here. If that is so, the duty on an outside article would not affect the case, would it?—I answer, if that is so, and the article is sold here cheaper than it can be imported, there is no need whatever for a duty.

363. We have also had representations on sheep-dip. There are those who say there ought to be no duty on sheep-dip, as it would, of necessity, increase the price; and those who represent that a duty is required in the interest of the locally-manufactured dips. It has been represented that the colonial dips have come into very considerable consumption, but that a large proportion of the trade is secured by foreign-manufactured dips that are not in any way superior articles. The local manufacturers represent that if the consumption of the foreign article were discouraged by increasing its cost, they themselves would not increase the price of the local dips, but rather that they would be able to sell their dips more cheaply by-and-by, because of the larger consumption they would command: what have you to say to that?—That it is precisely the same argument that the manufacturers of machinery employ, and my answer will be very similar: That, so far as the quality of the dip is concerned, I think the public may be taken as the best judge. No doubt local manufacturers will be inclined, naturally, to say that their dip is equally as good, if not better, than the imported; but so far as the trade having been accorded to the imported dips is concerned, and the reasons given for that being the case, I think I might venture to say that advertising and canvassing are quite as open to the local producers as they are to the importers. Such being the case, there can be no possible reason why, under these circumstances, the imported dips should take the palm, as they undoubtedly do, unless the public regarded them as superior. Furthermore, from my own personal experience—I have been a sheep-farmer for twenty-five years, and an agent for the last ten years for colonial-manufactured dips—I may say that they are distinctly uncertain in their effects, which is not the case with the best imported. By that I mean that a local dip may be remarkably good one time, and the next time you use it it may be utterly useless, or nearly so, for all practical purposes. It may involve a second dipping, which is a very serious matter, as it means the mustering again of the sheep, as well as the actual labour of dipping, and cost thereof.

364. Holding that view, I suppose it would be a fair assumption that you would oppose most strenuously a proposal for a duty?—Most distinctly so.

365. There was a considerable trade in the export of horses at one time from this colony to various places?—Yes, there has been.

366. Is it not true, on the other hand, that horses have been imported from some of the Australian Colonies?—Yes, especially of late years.

367. It has been represented by some persons that the present position as regards the tariff is unfair, inasmuch as the horses exported from this colony to Australia pay a duty of so much per head, whilst horses sent by Australia to New Zealand pay nothing at all. It is urged that a similar duty should be charged here to that in force in Australia: what do you think?—That involves the question of reciprocity, but, in regard to the duty imposed on stock on the other side, I think the farmers here as a rule will be in favour of a small duty being imposed on stock imported into this colony.

368. You think that so long as an impost is made on our exports the corresponding article imported here should bear a similar rate?—I think that is the general view of farmers. Of course, the question of policy is not one for us to consider at all.

Mr. Tanner: In 1893 we exported more horses than we imported.

369. *The Chairman.*] It has been argued that a tonnage duty should be placed on onions and potatoes of from 10s. to £1 a ton, the present duty being 20 per cent. *ad valorem*: what is your view with regard to that, Mr. Cuthbertson?—I do not think it is a matter of great consequence. The importation of these articles does not interfere with the trade of Southland.

370. I suppose there would be no objection to the continuance of the duty on potatoes on the part of the farmers?—I should think not.

371. You are aware there is a small duty on grain? Our grain sent to Australia pays a high duty, and there are those who recommend that the duty here should be taken off. Do you think the same rule should obtain as in regard to horses?—For the same reason as for horses, I do not see why the duty should be taken off. I am not prepared to offer an opinion as to whether the duty should be made equivalent to the duty on the other side, but personally I see no reason why it should be removed; we import very little grain, so that it is practically a matter of very little importance.

372. As regards flour, there is a considerable quantity imported, to the West Coast particularly, from Melbourne, and it is represented that there is a likelihood of flour being supplied from Melbourne at a price lower than it can be purchased in New Zealand; and it has been asked that the duty on flour should be increased: what do you think of the suggestion?—I think that it is a fair suggestion. In the old days—at all events, in the South—it was necessary for the bakers to mix Adelaide wheat with the local wheat, because the latter was not properly dried, and would not make bread. That necessity has entirely passed away, and there can be no reason why imported flour should be permitted to enter at so low a duty; but I suppose, on the other hand, if we were to export flour, there would be a similar duty imposed on our products.

373. *Mr. Stevens.*] I understand you to say that farmers object to the imposition of a duty on sheep-dip. Would it not be reasonable to suppose that they would object to the imposition of a duty on horses?—It is not a question down here, and it certainly is not customary to import them. It might happen on an occasion that horses were abnormally cheap in Victoria, and that they could be landed here cheaply.

374. There is a large number of brood mares imported by the farmers in our locality for breeding purposes: is that done in Southland?—There is no such thing in Southland.

375. Has there been any competition as to the merits of the different sheep-dips held by your Agricultural and Pastoral Association?—None.

376. Are you aware of a competition having taken place under the auspices of the Hawke's Bay Agricultural and Pastoral Association, and are you aware which dip in that competition won the first order of merit?—I am not perfectly certain, but I have an idea that Merton and White's took a very high place.

377. That is an imported dip?—No, it is not.

378. Then, that goes to show that the colonial dip is equal to the imported dip?—Yes; so far as that experiment is concerned. If I gave you my further experience of Merton and White's dip——

Mr. Stevens: It is true what you say, that there is a difficulty in getting uniformity, because they manufacture so little of it. It was a colonial dip that took first prize at Hawke's Bay, and there were about twenty different kinds of dip exhibited.

Witness: I never read a detailed account of the trial.

379. *The Chairman.*] Are there any matters you wish to refer to or to bring under our notice, Mr. Cuthbertson?—You are aware that agricultural machinery is admitted free, but seed-cleaning machinery has to pay duty. We look upon such machinery as being distinctly agricultural machinery, and we would suggest for your consideration whether it should not be permitted to come in free also.

The Chairman: It has been represented as one of the machines on which a duty should be imposed, as being such as can be manufactured here.

Mr. Glasgow: The department recognised that small hand-power seed-cleaning machines were farmers' machines, and it was understood they should be admitted free; but the large seed-dressing machines were held to be machines that were not farmers' machines, but rather for seed-merchants. They are used in stores.

Witness: I was not aware of that distinction, and I do not know that it is generally known. However, it seems to me that the importance of the machinery for seed-cleaning being of the very best kind in the interests of the production of the colony is so great that there can be no difficulty whatever in deciding that this one class of machinery should be admitted with the least possible amount of clog.

380. *The Chairman.*] Do you see any reason why these machines, and reapers-and-binders, should not be produced here equally well with the imported?—There are two points in connection with that. First, the period of transition from the present state to that we assume might take place would be longer or shorter, probably longer, and during that time the farmers would have to suffer by using inferior articles, and by having to pay a higher price for an inferior article. But another point is that the people who make such statements to you assume that with an increased output they would be able to place upon the market a machine equal in all respects to the best imported.

Mr. Tanner: They say, sometimes superior.

Witness: I take leave to doubt that, for the reason that the agricultural machines which come here have each of them so many different patents of their own, and each has its own strong point as being superior in that respect to other machines; but I take leave to doubt that any local man would be able to overcome the difficulties in connection with these patents, and to produce a machine here, unless he had the various patent rights. I take leave to doubt that, give any local manufacturer an order, and the best mechanics in the world, he would be able to produce such a good machine as can be got at the present time from the other side. Will the local manufacturer give you any guarantee that his machine, if it is produced by the best workmen in the world, will be equal in all practical points, or superior, to those which now come into the colony?

381. *The Chairman.*] Is it not the fact that most of these patents have run out?—I do not like to say anything, because I really do not know.

382. Supposing the patents had run out, your argument would fail?—Yes.

383. Well, it is the fact that in respect to some of these machines the patent rights have run out. Is there any other matter you wish to mention?—Another point is in regard to wool-packs. I can see no reason why they should not be placed on the same footing as cornsacks, and allowed to come in free. There is also a little matter in connection with tubular cotton for sheep-wrappers. In Manchester they manufacture seamless cotton in long lengths, which is sometimes used for sheep-wrappers. It is cut off in lengths for the frozen-sheep trade. Imported bags are subject to duty, but plain calico is not; so that if we manufacture the bags here from plain calico there is no duty. This tubular cotton, which is manufactured in lengths, comes in free. You have to cut it into lengths, and sew up the ends, which means a large amount of handling. To avoid that, the Manchester people invented the idea of weaving a "belt" across every 5ft., where it has to be cut, thus making a bag 5ft. long. Before that was done it came in free, now it is charged duty at the rate of 10 per cent. on account of it having a woven cross-seam. I ask that that duty should be removed.

Mr. Glasgow: It has always been charged duty as cotton piece-goods.

Witness: I think I am right in saying that where there is a seam woven across, a duty of 10 per cent. is charged, and my object is to get that duty removed, in view of the importance of the frozen-meat trade. Plain calico, for the same purpose, is admitted free at present.

384. *Mr. Tanner.*] Are you aware that seed-cleaning machines have been made in Christchurch?—I think Andrews and Beaven made them.

385. Have you any personal acquaintance with their last machines?—No.

386. *Mr. Stevens.*] You would pay 10 per cent. less for farmers' parcels than you would for machine-dressed seeds?—Probably.

387. *The Chairman.*] Do you object to your name being mentioned that you have attended at our request?—Not at all.

(13.) William Ross examined.

388. *The Chairman.*] You are connected with rope-making, are you not?—Yes. I have been here five years. My industry is principally the manufacture of binder-twine. I employ eighty hands—one-half men and one-half lads.

389. What is the average rate of wages?—We pay about £2 to £2 5s. a week to the men and 12s. to £1 a week to the lads.

390. What do you wish to bring before the Commission?—I ask for the removal of the duty on rope-making machinery, which at present pays 20 per cent. duty.

391. Could it not be manufactured in the colony?—It would be impossible to make it here, as very little is required. I bought last week a machine costing £500, but it would not pay to make the patterns here to make the machines from.

392. What is the next item?—I see that attempts have been made to get the duty removed from the imported reaper-and-binder twine; but I would prefer to see it increased. In Melbourne they can buy flax-fibre cheaper than we can buy it here. I could go to Melbourne now, and bring back flax and land it at the Bluff at a rate at which I could not get it here.

393. Is that not on account of a ring?—No. We have to enter into contracts with the flax-millers at the commencement of the season to get a steady supply; and at one time there were a great number of mills at work, the result being that all the markets, including Melbourne, became overstocked with fibre, and this old stock can now be landed in New Zealand at a less rate than the local millers can produce at. We purchase about two-thirds of our fibre from other mills outside our own mills; and, as our harvest comes on at the latter end of the harvest on the other side, they can swamp us. The freight from Victoria is $\frac{1}{8}$d. per pound, and they have more than that advantage over us in purchase of fibre sent on consignment from here.

394. Then, this fibre is actually fibre that has been grown here and exported to Victoria first?—Yes. This cannot continue, but it is so in the meantime. Our duty is 15 per cent., and the Victorian duty is equivalent to 35 per cent., and prevents us competing with them. I have been over in Victoria during the last few weeks, and the duty there is £8 per ton; and so also in South Australia. I think we ought to have the same duty here; if they remove their duty, we ought to do the same.

395. Do you use manila?—Yes.

396. If the duty were raised, to what amount do you want it increased?—To shut the Victorians out, I think it ought to be 20 per cent. There is, now, making-power in the colony for five times the quantity required.

397. If the duty were increased as proposed, what would be the effect as regards the price of twine in the colony?—It would not make one bit of difference as to the price to the farmers.

398. *Mr. Tanner.*] Are we to understand from your statement that the production of flax fibre in the colony is so large that the local mills are obliged to ship it away on consignment in order to get any payable market at all?—Yes. Donaghy and ourselves are still giving £15 to £16 10s. a ton for our best fibre, and a mill cannot pay under £17 a ton.

400. Is it because of this low price that the mills have been compelled to close?—I believe the returns from the other side do not give more than £12 10s. net.

401. Do you give that as the cause of the closing of so many mills?—That is the cause. All flax is sent Home on consignment. I myself sent 40 tons, and drew £15 against it, and I lost £3 a ton.

402. *Mr. Mackenzie.*] I suppose the flax you give £17 a ton for is really good flax?—It has to be.

403. And a lot of this sent away at only £12 10s. a ton is actual rubbish?—There is no difference in it; it is the ordinary fibre.

404. Is the twine sent back to this colony from Victoria to compete against your make? New Zealand flax?—Yes.

405. Would you suggest placing a duty on the returned New Zealand twine to stop it coming in again from Victoria?—Certainly.

406. You do not think there is much in this complaint of Mr. Oatway's?—We cannot carry on at that price. He has had to buy his twine at 4½d. per pound and he has been selling it at 4d. per pound. I do not believe in that style of business.

407. I see the duty on twine going to Victoria is £8 a ton?—Yes.

408. What prices have ranged for binder-twine within the last eight years?—The year I commenced the manufacture I got £42 a ton net cash (wholesale price); that was four years ago. Eight years ago the price averaged 8½d. to 9d. per pound; now it is 4½d. (that is, the retail price to farmers), and it is equally as good, if not superior.

409. *Mr. Stevens.*] Do you manufacture twine from jute as well as from fibre?—No, I did import a machine to try and work up tow and cotton.

410. If you had the necessary machinery, could you do so?—I imported a carding machine, but it did not pay.

411. You say you use manila: I presume you mix that with jute?—Jute would not mix with flax. We make pure flax, half flax and half manila, and pure manila.

412. What proportion of each do you make?—Seven years ago the colonial consumption was all pure manila; this year it is down to 100 tons, as against 1,100 tons of flax.

413. You do not use jute?—We have tried it, but it is not satisfactory.

414. There is single-ply, double-ply, and treble-ply, is there not?—We have not made the two latter. Our machines only make single-ply. The treble-ply is generally Russian twine, and it is not made in the colony.

415. If you were to import the treble-ply, do you not sell it as single-ply made from New Zealand flax?—No.

416. *Mr. Tanner.*] What is the wholesale price of twine now?—About £30 per ton net. It is sold to the farmers at 4½d. per pound retail. I do not sell it retail.

417. *The Chairman.*] Is it a fact that New Zealand twine made here has been shipped to Victoria and sold there at 2¾d. per pound?—I believe it has, but I am not aware of it. I have never sent an ounce to Victoria.

418. If I were to say that has been the case, you would not contradict it?—I could not contradict it, but I believe it was the balance of last year's stock of twine that was sold at that figure.

419. If that were the case it would not be at all surprising if some twine actually came back to New Zealand and was sold at 4½d.?—The Victorians did not send it; it was never taken out of the boat, and was returned here.

420. It has been urged that New Zealand twine is sent over to Victoria at 2¾d. per pound, and is retailed to the farmers there at 3¾d. per pound, so that the Victorian farmer gets New Zealand twine at ¾d. less than the New Zealand farmer gets it?—I do not think that is the case, because last week, I think, one of the largest dealers in Victoria sold the whole of his flax twine in Victoria at 4½d. per pound, and the manila twine, I think, they sold at 6½d. per pound.

421. Did you see in any of the Dunedin papers some correspondence that appeared in the Ashburton papers about the twine ring?—I have seen that.

422. You know it was alleged there that a merchant, to break down the compact, sent over to Victoria and imported this New Zealand twine, and found no difficulty in getting it, and he was also able to undersell the ring price in Ashburton?—That has not been the case; they have had to buy twine from the so-called ring. We only want a price which will enable us to keep open our factories. I dare say they got a few tons of the twine referred to.

423. It was a line of 30 tons?—But that 30 tons amongst a quantity of 1,100 tons would not break down a ring if there was such a thing.

424. Is there any other matter?—Yes, the matter of oil—mineral oils. We used to import oils which came under the head of "shale-oil." We use 1½ ton a month, and we pay 6d. per gallon duty.

425. *Mr. Tanner.*] How long have you been paying that, or how long is it since the duty was imposed?—I think, about twelve months.

426. Is this oil used for any other purpose than in your industry?—There is a batching oil used in the woollen factories; still, I do not think it can be used for anything else except soap-making. It cannot be used for lubricating.

Mr. Glasgow: A number of heavy lubricating oils that were really refined oils we found were admitted free as unrefined oils, but it was quite impossible to make any distinction, and the Commissioner's decision was that they were to be charged duty.

The Chairman.] What is the revenue from the whole?

Mr. Glasgow: 3,240 gallons of petroleum paid duty.

Mr. Stevens.] What is the cost of this shale-oil per ton, Mr. Ross?—£11 10s. landed.

The Chairman.] Have you any objection to your name or the nature of your evidence being published?—I do not wish my name, nor the subject of my application, to appear.

WEDNESDAY, 27TH FEBRUARY, 1895.

(**14.**) DEPUTATION OF IMPORTERS (HENRY HAWSON and W. LEWIS).

HENRY HAWSON examined.

427. *The Chairman.*] You are in business as an importer in Invercargill, Mr. Hawson?—Yes. I have been in business here about seventeen years.

428. What is the matter you wish to lay before the Commission?—A matter in which we are very much interested—the duty placed on the cases in which the goods are contained and brought

into the colony. We have to pay 10 per cent. on the cases in addition to the duty of 15 per cent., 20 per cent., or 25 per cent., as the case may be, on the goods; and we are unable to realise on the cases; they have to be cast aside as useless. We wish to see this duty on cases removed, as it is a very serious loss to us. The same remarks apply to wrappers.

429. A duty has always been charged on the cases?—Yes, for many years.

Mr. Lewis: If the question of revenue is involved we would prefer to pay the duty now charged against the cases on the goods, leaving the cases free.

430. *Mr. Mackenzie.*] As a matter of fact, the cases are not lost, are they, Mr. Hawson?—They are lost.

431. Do you not put down the cases as part of the cost of the article?—You cannot charge for your cases.

432. Say a case of shirts is invoiced at £1, and the cost of the case is 5s., do you not add the two together, and say the total cost is £1 5s.?—Some might do so, but we cannot get it.

433. Is not that the rule of the trade?—I believe it is the rule of the trade, but we cannot always get the value of our cases.

434. Therefore, really, these cases cost you nothing; it goes on to the cost of the goods?—Yes.

Mr. Lewis: I think the extra percentage should be put on the goods, allowing the cases to come in free.

Mr. Hawson: You might put a duty on to the goods, but you cannot as a rule get the value of the cases.

The Chairman.] Is there any other matter?

Mr. Lewis: Mantle cloths are charged 20 per cent., and trimmings 20 and 22½ per cent., but the manufactured article is only charged 25 per cent., and the small difference of 5 per cent. offers no advantage to the encouragement of the local industry of making mantles. I think all trimmings should be free. Calicoes are admitted free, but ladies' underclothing is charged 25 per cent. In that case there is a duty of 25 per cent. in favour of the local manufacturer. Millinery (trimmed or untrimmed) is 20 per cent., and hats are the same; and I think, if untrimmed hats were charged 10 per cent. and the trimmed millinery 25 per cent., there would be a margin for encouraging local industry.

435. You complain that there is not sufficient margin on the mantles?—I think there should be a large percentage of difference between the imported and the locally-manufactured article.

436. How much difference between the two?—15 or 20 per cent. in favour of the local manufacture. In millinery I might mention that feathers are 25 per cent., but trimmed millinery is 20 per cent.

437. Does that include ostrich feathers?—Yes; 25 per cent.

438. Is not the higher rate intended to encourage the ostrich industry in the colony?—Yes; but the hats are allowed to come in trimmed at 20 per cent., and who is going to open a case to find the feathers? The inconvenience is having to open the cases to ascertain what feathers are in the hats. Thread-lace goods are charged 20 per cent., and silk laces are charged 25 per cent. I think there should be some extra duty on lace goods made up from lace in the piece, as it is not used except in the manufacture of mantles or dresses. We also have a great deal of trouble in connection with cotton shirtings on account of different patterns being charged duty and others allowed in free. Linen and linen diapers in the piece are charged 20 per cent., and the manufactured article 25 per cent.; the latter duty should be increased. Furs, boas, and fur-trimmings are 25 per cent. We ask that beaver- and fur-trimmings should be reduced, as they are being used in the making-up of apparel, and should be reduced to, say, 10 per cent.

439. *Mr. Mackenzie.*] You want a heavy duty on the manufactured article in order to secure the trade yourselves?—For the colony.

440. It would mean, of course, a falling-off of revenue, and it would have to be put on something else. Is there any line of drapery on which you can suggest a duty should be placed?—I think 5 per cent. on all the cotton goods, including calicoes.

441. The tariff on soft goods is now divided into five classes: free, 10 per cent., 15 per cent., 20 per cent., and 25 per cent. Do you not think it would be better to have the goods imported under from one to three rates?—Under three, or not more, I think.

442. What do you think would be the best?—Cotton goods, in piece, 5 per cent.; linen goods, in piece, 10 per cent.; and 25 per cent. on the manufactured goods.

443. What about carpets?—The whole matter is a big question, and I have not thought it out.

444. Do you think it would be advisable, instead of having so many different rates, to have fewer rates?—Yes.

445. *The Chairman.*] Do you object to your names being published?

Mr. Lewis: We would rather not have the names published.

MATAURA.

THURSDAY, 28TH FEBRUARY, 1895.

THOMAS CULLING examined.

1. *The Chairman.*] You are the proprietor of the Mataura paper-mills?—Part proprietor; the firm is Coulls and Culling. The mill has been established seventeen years, and we have had it ten years. The number of employés is fifty-four, principally adults. Wages, for the labouring men, 6s. a day; boiler-men, £2 a week; machine-men and those who have charge of the machinery, £2 10s. a week; lads, £1, £1 5s., £1 1s., and £1 15s. a week; boys beginning, receive 10s. a week. The girls are principally on piecework, making bags. They can earn, and do earn, on an average 15s. a week; 10s. a week is the lowest rate we pay.

2. What is the total amount paid in wages, annually?—For the last fortnight we have paid £166 18s. 8d.

3. You are purchasers to a large extent of waste products?—We use and turn into account all we can procure of the waste material which cannot be otherwise used—such as paper, rags, rope, flax, tow, tussock grass, sacking, and sails.

4. What quantity is worked up in the course of the year?—60 to 70 tons per week is the quantity of raw material coming in, and the output of the manufactured article is from 20 to 25 tons a week.

5. What is the value of the output?—We have had to stop operations on account of the want of a market: but the average quantity is about 1,000 tons a year, equivalent to £20,000 value.

5. Is there a sufficient supply of the raw material?—No; we have some jute now on the road from India, and we imported a lot last week from Melbourne.

7. Is that because a good deal of the waste of the colony does not find its way to your mills?—I think so.

8. What do you give for this waste?—About 2s. 6d. per hundredweight for old sacking and paper, and we pay railage. For ropes and the better class of material we pay up to 5s. and 4s. For white rags from Auckland we pay as much as 12s.

9. Do you find a sufficient market for your output?—No.

9A. What is the reason?—Because the English and German travellers offer inferior rubbish at a price that we cannot touch and compete with.

10. But article for article, given the same quality, you can produce it as cheaply as it can be imported?—Yes, if we had a greater output we might be able to lower the price; there is always a certain amount of fixed expenditure, whether we are going or standing still.

11. Have you got the most modern machinery?—Yes, nothing can be got better.

12. I suppose the rate of wages is higher here than in the Old Country?—Close on 50 per cent. more.

13. As against that fact, which makes the local article more expensive, you have the counterpoise in the freight and charges?—It costs us as much or more to send paper from here to Wellington, in fact anywhere generally, as it would cost to bring it out from Home. Since these foreign travellers have been here we have had to lower the price of our paper considerably. In brown paper we can compete with the best now, and we could compete with the Home people in everything if we had a little increase in the duty. With regard to the raw material, which is obtained cheaper at Home, we sort all the rags, &c., into classes, and we use the better material for the better paper. If we had to go into the market and buy picked stuff, ready to go into the mill, we should have to pay more for it.

14. Do they pay higher prices at Home for the picked stuff?—Yes. It is the wood-pulp from Sweden and Norway that brings the price down, and the imported papers you use here are mostly made from wood-pulp.

15. What is the duty on the cap paper?—25 per cent. *ad valorem.*

16. White printing-paper comes in free?—Yes.

17. You do not manufacture that here?—No.

18. Your argument is, that if the duty were increased it would give you the command of the market?—Yes.

19. What rate do you think would be an effective one?—On the brown wrapping-paper, I think, with 6s. a hundredweight we would be able to compete with any one from Home; for the gray wrapping we do not want more than the 5s. duty we have at present. On blue candle-paper, if we got 6s., we could do; the present duty is 5s.; McLeod Brothers and the Auckland Union Oil and Candle Company import theirs. We have not sent any to Wellington for a long time. The bag-makers say we cannot make the paper they require, and therefore they are obliged to import it; but here is evidence that we can [paper produced]. We want the duty on this paper raised to 35 per cent. In gray sugar-bags we have the command of the market, and we are satisfied, if it were not for the American "unions," which are at present imported largely.

20. What constitutes their peculiarity, or what does the word "union" mean?—The machine that makes them will make a plain bag and a satchel bag, and it is called a "union" machine. It is a trade term, meaning a class of bag.

21. Can you give us a term for Customs purposes that would cover it?—"Fruit and biscuit bags."

22. Would a duty of 35 per cent. keep all bags out?—I could not say. On glazed cap paper we want the duty made at per hundredweight. We sell it at £1 8s. to £1 10s. per hundredweight, and that will raise the duty by 33 per cent. On glazed casings we ask for a duty of 7s. 6d.; present duty is 5s. per hundredweight.

23. What is the value of that per ream?—About the same as the cap paper. On small hand and lumber hand we want a duty of 7s. per hundredweight; present duty is 5s. Fruit and confectionery bags we ask should be 35 per cent. *ad valorem*, and the same paper 7s. per hundredweight. On cartridge-paper we want the duty raised to 7s. per hundredweight; present duty, 5s. We also ask that the following articles, which cannot be made in New Zealand, and which are used in the manufacture of paper, should be admitted free: Alum and alum cake (sulphate of alumina), bleaching-powder (chloride of lime), resin, soda-ash, caustic soda, umber and umber substitute, ochre, lampblack and petroleum black, aniline dyes (Venetian red and new yellow). A lot of these articles are free already, and we ask that the remainder should be made free.

Mr. Glasgow: All paints and colours are free unless mixed ready for use.

Witness: We also ask that wet and dry felts for the machine, and couch roll jackets, and machine-wires should be admitted free.

24. *The Chairman.*] What name would you give this felt to distinguish it from the ordinary felt?—Call it "papermakers' felts." We also want beater-bars (made of steel), beater-plates, and strainer-plates admitted free.

25. Supposing the Legislature granted your request, you say the effect would not be to increase the price of these papers in the colony?—No; local competition will keep that right.

26. What local competition have you?—Ferguson and Mitchell, Dunedin.
27. Supposing the two competing firms started to work together?—Then the outside competitors would keep us right.
28. Supposing we shut out the outside competitors, and you got the market to yourselves, is not there a danger of prices going up?—I do not think they would; probably we should be able to sell our paper cheaper. We had 2s. 6d. per hundred for gray bags; and the price was then £28 a ton: the duty was raised to 7s. 6d. per cwt. in 1888, and we immediately reduced them to £25: now they are £24.
29. What period did that extend over?—The period since the tariff was last adjusted—in 1888.
30. You argue that the same results would follow now?—Yes, and I give that as a case in point.
31. *Mr. Tanner.*] We have been told by people in various places, who wish additional duties put on, that there was no fear of the revenue being affected, and that they would pledge themselves to enter into a guarantee with the Government that they would not raise their prices over the present ones: what do you think of that?—I would enter into such an engagement.
32. Can you give us any idea as to how it is to be arranged?—That is a difficulty.
33. You approve of the principle?—I do.
34. *Mr. Mackenzie.*] You have now practically the colonial market for brown paper?—We have for a superior class.
35. There is very little imported?—There is a lot.
36. Not according to the returns?—I cannot say. Last week a man told us he had imported a ton of this brown paper for £20 a ton clear of duty.
37. What do you charge for your brown paper?—We charge, upon quantity, £18 a ton in 3- to 5-ton lots.
38. That is good brown paper?—Yes; this quality [produced].
39. We have been told that your paper is irregular?—It has been, but not for the last six months.
40. It is regular now?—Yes.
41. And the paper-bag makers acknowledge that, price for price, you give a better article. Can you always supply the demand?—Yes; we can do more; but we cannot keep going.
42. And if a statement were made by paper-bag makers that they could not use New Zealand paper for bag-making you would say that was incorrect?—I say that it is not true.
43. At what price can good brown paper be landed from Home now?—It has been landed at £17 per ton, including duty.
44. But it is inferior to yours?—Yes.
45. Then, your object in asking an increase of from £4 to £6 is to handicap the inferior brown paper, and prevent it competing against you?—Yes.
46. Would it be possible for you to get a set of samples of these cheap German papers and a range of your samples for the information of the Commission?—I will try.
47. You speak of the wood-pulp paper competing with you. Is there any local wood you could use?—The white-pine would make splendid paper.
48. Have you ever thought of making white-pine-pulp paper here to run against the imported?—It is a matter of plant. It would require plant to the value of £50,000. On a small scale, £25,000 might do.
49. Do you ever use the bark of the ribbon-wood tree for paper?—No. The ribbon wood is not so plentiful as to make it pay to collect it.
50. Yes, there is a great lot in Catlin's River bush. Did you receive the aid of the Government bonus when you started this industry?—No.
51. Then, you started the industry without the aid either of protection or of bonus?—Yes, that is so.
52. Did the business develop before the protection of 1888 was given?—No.
53. After the protection went on in 1888, did the business make marked progress?—Yes.
54. Did you then increase the price of any of the articles produced?—No, we reduced it.
55. Upon what articles did you reduce the price?—Brown paper, from £26 a ton to £18 now.
56. And the gray paper bags from £28 to £24?—Yes.
57. *Mr. Stevens.*] You would try the bark if you had the opportunity?—Yes. That is an opening for the unemployed. If they bring it here we will try it.
58. How much would you require as a test?—Two tons.
59. *Mr. McGowan.*] It seems to me that what these goods require is not so much protection in the way of additional duty as it is pushing. Is not that so?—We do our best, but nothing comes of it. Yet we hear of paper being imported into all parts of New Zealand, from Auckland to the Bluff.
60. *Mr. Stevens.*] Do the woollen mills use your papers?—No, not to a great extent. Ross and Glendining have promised to support us if we keep up the quality to present standard.
61. Can you make the paper used in wrapping up fruit exported from the colony?—Yes. Here is a sort of paper that will do for that [produced].
62. Can you sell that as cheaply as you can import it?—No; that is why we require extra duty.
63. *The Chairman.*] I presume that these samples of the different papers you make, and which you produce, are fair samples?—Yes; they are simply taken out of bulk.
64. *Mr. Mackenzie.*] Your illustration regarding the success that met your efforts with the gray bags is sufficient to indicate that the imposition of the further duties you ask for will not be the means of increasing the price to the consumer?—Yes; I am prepared to enter into an agreement with the Government to that effect.
65. And from the revenue point of view you say that very little will be lost by the admission free of the goods you mention?—Very little.
66. *The Chairman.*] Have you any objection to it being stated that you have given evidence?—No.

DUNEDIN.—Second Sitting.

Monday, 4th March, 1895.

(1.) Samuel Slesinger examined.

1. *The Chairman.*] I believe you are a veterinary surgeon?—Yes, practising in Dunedin.

2. You are also the maker of certain proprietary medicines?—Yes.

3. We understand that you wish to point out certain matters in connection with the tariff affecting your industry or profession?—During the last ten years I have partly given up practising, and simply manufacture medicines, amongst which are included Slesinger's Embrocation and Slesinger's Blister Ointment. These articles are selling very slowly in consequence of imported medicines—viz., Elliman's Embrocation, and James's Blisters—which are driving me out of the market.

4. Do you claim that your articles are as good as the imported articles?—Better. About sixty-five years ago I made an embrocation exactly similar to Elliman's.

5. In what country were you at that time?—Switzerland. But I ceased to make it over fifty years ago, because I have discovered much superior articles. Elliman's Embrocation is made on the same lines as that which I made over fifty years ago.

6. If your production is, as you claim, superior to the imported article, how do you account for the fact that the public prefer the latter?—These imported articles are largely advertised by means of newspapers and show-cards distributed all over the colony.

7. What about the price?—They are selling their article at the same price as mine—£1 8s. a dozen for the embrocation; and I sell the White Cream, which is identical with Elliman's Embrocation, for £1 a dozen, and I intend to put it into the market for 12s. a dozen. I could manufacture Elliman's for 6s. a dozen, and make money. It costs at Home about 1s. 3d. a dozen.

8. What do you ask?—For a duty of 12s. a dozen on Elliman's.

9. How do you suppose that the imposition of this duty would affect the market in your favour?—They send out their goods on consignment, and if they had to pay this duty they would not do so.

10. Can you give the Commission any evidence as to the fact that your article is medically as good as the other?—I am willing to submit mine to competitive analysis with the others.

11. What about the "blisters"?—There is an article imported here called "James's Blisters," and I have not so much to say against it as being an inferior article. It is next to mine. I maintain that mine is a better one, and, as a taxpayer, I consider I ought to be protected against outside competition.

12. What are the comparative prices of the two?—James's is sold wholesale at 18s. or 19s. a dozen, and mine at 16s.

13. Do you claim that yours is better?—Yes; and I am willing to submit to competitive analysis as regards this article also.

14. If you sell your blister ointment at a less price, do the public prefer it from the same cause as the other?—Yes, advertising, which I cannot afford to do.

15. What do you want regarding that?—James's Blisters cost at Home about 40 to 50 per cent. less than mine, as I have to pay more for the raw material. I have paid 14s. per pound for cantharides, the principal ingredient; but I have bought James's Blisters in the colony for 5s. I ask that there should be a duty of at least 4s. per dozen on them, in addition to the present duty of 25 per cent.

16. In effect, you ask for a duty of 50 per cent.?—Yes; I wish to put in a letter from the Melbourne Tramway and Omnibus Company, giving me an order for Colic Drench—viz., twelve dozen bottles. This company keep a veterinary surgeon of their own, and hitherto they have been in the habit of obtaining his medicine.

17. *Mr. Stevens.*] Are you a duly-qualified veterinary surgeon, and would your diplomas be equal to the diplomas of a member of the Royal College of Veterinary Surgeons, England?—I came from one of the first colleges, in Switzerland, before the English college started.

18. Are your Swiss diplomas recognised in England?—All over the world.

19. Can you name any large racing stables in New Zealand or prominent companies that take your medicines?—Racehorses I have very little to do with. The tram-stables, Dunedin, and Bacon Brothers are dealing with me. I have been veterinary surgeon for the Government, and attended the police horses. Morrin, Auckland, and the Auckland Stud and Tram Company also take my medicines.

20. Do you supply the Wellington Tramway Company?—I have done so.

21. If all these large institutions know thoroughly well of the existence of your medicine, how is it they do not use it instead of the imported?—They are using it.

22. Then, if you are selling it cheaper than the imported article, and it is of superior quality, why cannot it take its place in the market the same as the imported article?—It does so as regards the tram companies, but there is only a very small demand, and I want to enlist the interest of the general public.

23. *The Chairman.*] Do you employ any labour?—One or two boys, but I could employ twelve to twenty if I received the same patronage as the outside medicines do.

24. What wages do you pay the boys?—They commence with 8s. a week, and rise to £1 in six years.

25. At what age do they come to you?—About fifteen.

26. Do they earn £1 a week before they are twenty-one?—Yes, before that.

27. If a heavy duty were put on Elliman's Embrocation would not that result in the importation of other Home-manufactured embrocations under a lower duty, which would take the place of

Elliman's, and still compete with you?—It would take a long time, and they could not establish themselves quickly enough to do me much harm, provided we got rid of the other.

28. If a heavier duty were placed upon James's Blisters, would it shut them out?—Not entirely; they would still make a good profit.

29. But, still, it would be a heavy handicap?—Yes.

30. Do you object to your name being published as having come before us to-day?—No.

(2.) Albert Ernest Colebrook examined.

31. *The Chairman.*] What are you, Mr. Colebrook?—I am a London merchant.

32. In business in London?—Yes.

33. In what line?—In the boots and leather trade.

34. What is the name of your firm?—We trade under the name of Colebrook Brothers, at 33, Lime Street, London, E.C.

35. You are aware that we are sitting as a Tariff Commission, and we presume you want to make some representations to us. Will you please state them in your own language?—I shall do so. I might say, at the outset, that I should not have ventured to take up the time of the Commission but for the fact that several of my clients have pressed me to do so; and only on Saturday last one of my largest customers in town, who is a manufacturer, made me promise to apply for a hearing. My views are the result of ten years' intimate connection with the boot and leather industries throughout the colonies. My evidence, which is short, consists of a few facts under two heads—first, in support of the present tariff on boots; and, second, to point out some possible evils of any material increase. In the first place, an increase closes or reduces a source of revenue which can never be re-opened; secondly, it falls heavily on the consumer, and, if a fixed rate, with great severity upon the impecunious buyer; thirdly, it can only benefit the operative, and it is hardly likely to do this, because it brings about an inflated demand, which in turn brings about an unnatural competition. I may remind the Commission that, although the duty is now only 20 per cent., the total amount of protection to the industry is not less than an average of 33⅓ per cent. It is asserted, by the agitators for an increased duty, that the present depression in the industry is largely due to foreign competition. I deny this, and I illustrate what is known as "nailed work" in proof of my view. For many years not a single pair of nailed boots has been imported, and yet the price of nailed work has fallen year by year. The profit on nailed work is admittedly less than on any other class of work, and wages have already fallen for making such work. I think nailed work is admitted to be the most congested class of work in the boot trade, and at the same time it is absolutely free from foreign competition. I maintain that this is a fair illustration; and I ask, If the depression is due to foreign competition, why is it that the nailed trade carries less profit and is more congested than any other class of the industry? The supporters of an increased duty also contend that one of their principal reasons for an increase is to shut out what they term "cheap rubbish." I assert against this, that it is not the price that prevents the local manufacturer from competing, but the fact that the operatives cannot produce such sightly goods in the cheaper grades. I believe I can convince the Commission that there is a good deal in this view of the matter. The amount of low-priced goods—omitting infants', which are not made at all here—is principally confined to women's goods. The wearers of men's and children's goods have long discovered that the colonial-made boot is far better value than the English boot at the same price, of which only two-thirds of the real value is in the boot when it reaches the consumer, the remainder being used up in duty, freight, and charges. The female buyer ignores this, and will have what pleases the eye, and what resembles most the more expensive goods worn by the richer classes; and it is only because the local manufacturer is not yet able to produce what pleases her that she wears the imported article. I contend that this is only a matter of education and increased efficiency on the part of the operative, and not a question of price, or one which increased duty will adjust. I will give one illustration which I think helps to confirm this. The wage in the colony, on the cheapest nailed boot which can be produced, amounts to about 1s. 4d., and at the same time an English nailed boot can be produced for 2s. 11d., and yet the 2s. 11d. boot has not been able to compete at all with the colonial boot. Now, the colonial wages on the cheapest ladies' work would be about the same, and the cheapest shoe that comes into this market would not be less than 2s. 9d. in cost, and yet that shoe is able to compete with the colonial-made article; and I contend that the reason is this: that the colonial operative is not able to put finish and style into cheap ladies' work, while he can do so in the heavy, rough material.

36. Then, in your opinion, the difference consists in the want of finish and style, and not in price?—Yes. It is also asserted that the quality of the imported article is lower than it has been. This I emphatically deny. There never was a time when we had to watch the quality of our bulk more closely than now, and the reduction in the average price is due—first, to the prohibition of a large proportion of medium, and better, men's work; second, to very great reductions in prices for the same article, for during the last ten years the value we have to offer has improved 20 per cent. at least. My strongest contention in support of the present tariff is this: that the very large industry now in existence has managed to grow under this tariff, that its growth is very visible each half-year that I come here, and that I have never seen one instance of a colonial line, when once established, having to succumb again because of the imported article. May I summarise my contentions thus: First, that the local industry is steadily increasing, and that the importation is slowly decreasing; second, that periodical depression is due not to foreign but to internal competition—this is evidenced by the state of the nailed trade; third, that the importation of such a large proportion of cheap women's goods is due, not to prices, but to the demand for showy goods, which the local operatives are not skliful enough to produce in any but the best grades; fourth, that the present tariff is ample to slowly kill importation, as the skill of the operative increases. That is all I have to say about the old tariffs. Now, in connection with a new tariff—I refer to a possible fixed tariff——

37. *Mr. Tanner.*] There is no new tariff so far as we are concerned, and we should not waste time in discussing a conjectural tariff, of which we ourselves know nothing?—My ground for referring to a new tariff would be to point out one or two effects which show the evil of new tariffs, especially in Victoria.

Mr. Tanner: If it is the Victorian tariff to which you refer I have nothing to say.

38. *The Chairman.*] What is your assertion with regard to a new tariff?—My assertion is that my business has fallen off by one-half on account of expected changes in the tariff. I am in a position to assure the Commission that any material change in the duties, especially if it is a fixed rate, will immediately, and very largely, reduce the revenue derived from importation. The results of my trip are as follow: The actual business done has been less than one-half of my average; the remaining half is about made up in orders to be confirmed by cable if the duties remain unchanged. At first sight it would appear that this must benefit the local manufacturer; but will the Commission allow me to bring under their notice the experience of Victoria? In the last twelve years there have been three alterations in the boot tariff—first, to a fixed rate, averaging about 1s. 6d.; second, to a fixed rate, averaging about 2s. 6d.; and third, to a fixed rate, averaging about 3s. 6d. The result is that importation has to all intents and purposes ceased; and, if the arguments of the agitators here have any truth in them, the boot trade should have been flourishing more and more. The facts are that every time the tariff has been raised there has been an enormous temporary impetus in the trade; new factories have gone up upon each occasion, work has been plentiful, and the operatives believed they were very prophets. The result on each occasion has been fatal. The increase in output has been enormously in excess of the decrease in importation, and the internal competition has become fiercer and fiercer. At the present moment there are sufficient factories in Melbourne to turn out boots for five millions of people, and they are all working short time. There are more unemployed boot operatives than there ever have been before, and the average wages are 50 per cent. lower than the average wages in New Zealand. These are facts I have been very careful to ascertain correctly.

39. You say the output in Victoria is now sufficient to supply five millions of people?—Yes.

40. And, further, you say the wages of the Victorian operatives are 50 per cent. lower than the New Zealand wages?—Yes; the present average earnings of the Victorian operatives are 50 per cent. lower than the average earnings of New Zealand operatives.

41. And you say this result has been brought about by the raising of the tariff, and the impetus it gave to internal competition?—I do. I am firmly of opinion that this state of things has been brought about by the changes of tariff; and I believe a change of tariff in New Zealand would have an exactly similar result, aggravated possibly by the fact that New Zealand has a much smaller population. I am able to state positively to the Commission that two or three Victorian manufacturers only wait to see an increase in the tariff in New Zealand to start here, with Victorian operatives, on account of their greater efficiency. I have been actually asked two or three times by some of my customers to give them the earliest information I can get on this point with that view. The foundation of these two or three factories alone would, I maintain, injure the industry where the competition already is keener than it should be; and I believe the effect of a sudden increase would be to bring about a delusive revival in the trade for six months, and afterwards a fierce competition such as has been experienced in Victoria. One other objection to a fixed tariff is that it is inequitable, and burdens the impecunious far more than the wealthy. Another is that it puts a stop to reasonable and healthy competition with foreign goods, which is a splendid stimulus to the trade, and prevents a too rapid growth, tending to reaction. I admit to the Commission that an increase in the tariff means a very large decrease in importation, but I beg you to consider whether you can take the responsibility of interfering with natural development. The trade has made splendid growth under the present tariff. Is it not safer and better to leave well alone? May I say one word about what I have heard as regards the opinion of the trade? Of all my customers only two have spoken strongly in favour of any alteration; some have said nothing; and nearly all have evidently been strongly opposed to it. I have no doubt in the world that the operatives are the prime movers; but so were the operatives in Victoria. I do not think operatives have generally shown much foresight in dealing with matters of this kind. I would ask the Commission to satisfy themselves about the following questions before recommending an alteration: On what ground can we be sure that the experience in New Zealand will not be the same as that in Victoria? If I summarise my objections to any alteration, I should do so as follows: (1.) An increase closes or reduces a source of revenue which can never be re-opened. (2.) It falls heavily on the consumer, and, if a fixed rate, with great severity upon the impecunious buyer. (3.) It can only benefit the operative, and it is hardly likely to do this, because it brings about an inflated demand, which in turn brings about an unnatural competition. A fixed tariff, I should tell the Commission, on the low-priced article is far heavier than it is on a higher-priced article.

42. Then, I understand your position to be this: that you ask that the present tariff should be retained, and especially that there should be nothing in the shape of a fixed tariff?—Yes.

43. You say also, as regards the lowest class of goods—men's heavy boots, for example, an article on which the wages here are 1s. 4d.—you say these can be produced in England for 2s. 11d., and that, notwithstanding that fact, the trade in them is secured by the colonial manufacturer?—Yes.

44. But that as regards a relatively low-priced article in women's goods, although the conditions are pretty much the same, in that case the colonial manufacturer does not hold the market, for the reason that the article wants finish and style?—Yes.

45. *Mr. Tanner.*] If I comprehended you rightly, I think you said the imported heavy classes of men's goods had been completely knocked out of the market?—Yes.

46. You are engaged in selling English-manufactured goods?—Yes.

47. Do you know the class of boots known as "K" boots?—Yes.

48. Are they not largely imported into the colony?—I would not term those heavy goods. They are very expensive goods.

49. I am aware of that; but are they not largely imported?—They do not come under the class of heavy goods. Although a boot has a thick sole, it does not come under the class of heavy work or nailed boots.

50. You referred to heavy nailed boots?—Yes.

51. Do you know a class of boots known as the "Cookham"?—Yes.

52. Are they imported?—Yes.

53. And do you know a class called "Grain Shooters"?—Yes.

54. Are they imported into the colony?—Yes.

55. Do you call them heavy work?—They would not be termed heavy boots.

56. What colonial nailed boots, may I ask, did you refer to when you spoke of their being produced at 1s. 4d. for labour?—The lowest grade boot that is made.

57. It is a pity you do not define it better?—I said the colonial wages paid on the lowest grade colonial boot would be 1s. 4d. I got that from a manufacturer this morning: making 9d., finishing 5d., and nailing 2d.

58. You say the making price is 9d., the finishing 5d., and 2d. more on the "log" or "wages statement" for nailing?—Yes.

59. Then, you are simply speaking of the making and finishing of a boot, but you allow nothing for the employment of the clicker, of the man to cut out the upper, and the man to cut out the bottom stuff? So you are only calculating the cost given on the comparative statement, without considering the cost incurred in preparing the tops?—If I have done that, it only strengthens my contention. Supposing we allow 6d. more.

60. What would you fix as the total cost?—I am not an expert in wages.

61. Apparently not. Can you say what the whole cost of labour would be?—I could not estimate that.

62. You would not venture on an estimate?—No; but I should say, if the wages would be increased, I think it increases the force of my argument.

63. That may be so, but we want reliable facts stated, never mind which way they go, for or against your argument?—Well, I might have said the wages shown in the "log" or "wages statement" for making and finishing only.

64. That would have been correct. Now, you speak of the operatives in the colony as not being skilled enough to make any but the best grades of women's work: did I follow you correctly?—No. I assert this again: that it is not the price that prevents the local manufacturer from competing so far as women's goods are concerned, but the fact that the colonial operatives cannot produce such sightly goods in the cheaper grades.

65. There is another expression further on in your written statement: I took a note of it: you said that the importation of such a large proportion of cheap women's goods is due not to prices, but to the demand for showy goods, which the local operatives are not skilled enough to produce in any but the best grades?—Yes.

66. Then I was correct?—Yes.

67. If a man can make a really good boot, can he make a common one? If a man can do a job thoroughly well, can he half do it?—No.

68. That is a high tribute to New Zealand workmen. Mind what you are saying?—I suppose he can half do it.

69. If a man is fit to make a superior article, is he also fit to make an inferior one?—I contend that increased skill will enable him to produce at such an increased speed as will enable him to compete with the appearance and finish of the better-class article. The fact is, it is not incompetency on the part of the colonial workman, but he is so slow in comparison with the English workman that he cannot produce a cheap article with the appearance and finish at a price.

70. I think that is a more satisfactory answer. You mean to say the workmen in the colony have not been adapted to the manufacture here of showy lines?—Yes.

71. But that they are adapted to making good lines of goods?—Yes.

72. You spoke of your customers as a rule being opposed to any alteration, and only two of them in favour of it?—I said several of them had withheld any opinion.

73. May I ask whether your customers are to be found amongst manufacturers or importers?—I do business with very large manufacturers and importers. I do not do business with retailers.

74. You would not do business with a man who had a shop-front as a rule, but with the merchant who passes the goods on to the middleman?—Considerably more than half my business is done with manufacturers.

75. Is it fair to ask the names of the two customers who are in favour of an altertion of the tariff?—One is Mr. Frostick, and the other Mr. Bridger, of Sargood, Son, and Ewen.

76. *Mr. McGowan.*] I gather from your evidence that while the colonial workman can compete in a better class of goods, yet he is not able to compete in a cheaper class of goods with a better finish?—That is so. I think it is solely due to the fact that a colonial workman can do the work, but at a much slower rate. It is not a question of wages at all, but a question of speed and ability.

77. And if an increased duty were to be put on this class of work, do you think this class of work would be taken out of sale for some time, or that the buyer would require to pay more for it?—I think a little of both. My own experience is that it would be taken out of sale. I think that is evidenced by my own orders.

78. *Mr. Stevens.*] You said that in Victoria they had sufficient machinery with which to supply five millions of people?—Yes.

79. And that, owing to the high rate of import duty, internal competition had become so great that wages there were 50 per cent. less than in New Zealand?—I should like you quite to under-

stand that is not "statement" wages. It is lower than in New Zealand, but not 50 per cent. by any means. A very small proportion of operatives in Victoria are on "statement" wages, and a large number of manufacturers are paying only time-work for men to work the machinery. I contend that this is due to the fact that the labour market is over-supplied, and they could not continue that unless there were a tremendous number of unemployed; and I contend that this has come about by the very sudden impetus to the trade at different periods caused by these injurious alterations of the tariff. In fact, there was no security about the tariff lasting.

80. I did not catch the amount of difference between the tariff in Victoria and the tariff in New Zealand. Taking the average tariff, what is the difference between them?—The present tariff in Victoria would average 3s. 6d. a pair.

81. And in New Zealand, what would it average?—It would average about 10d.—that is, taking the importations right through.

82. Do you think it would do any serious harm if there were a slight average increase in New Zealand? Do you think it could bring about the collapse of trade, so to speak, which has occurred in Victoria?—No; I do not. I think that an alteration that would be far-and-away the least harmful would be the raising of the percentage, inasmuch as it is equitable and affects all classes of goods equally. I do not think that would bring about a stampede in the boot trade, and that has been the result in every colony where the tariff has been very materially changed. Of course, another point which perhaps does not affect New Zealand is that Victoria under the old tariff had a useful export trade to Western Australia, and a small one to Tasmania. But that has almost entirely ceased, New South Wales, in particular, and Tasmania having increased their own trade. In New South Wales they are able to produce boots cheaper and pay better wages at the same time than in Victoria.

83. I understand you to say that a reasonable increase in the New Zealand tariff would not bring about the disaster that has happened in Victoria?—No; I do not think it would.

84. What would you call a reasonable increase?—Not exceeding a 10-per-cent. increase in addition to the present rate.

85. *Mr. Glasgow:* Did you say anything about leather?—No. If I said anything, the only thing I should urge would be to keep the duty as low as possible, for the sake of the manufacturer. But I have never been able to appreciate the principle of taxing the finished article and the raw material. In kip and calf the New Zealand leather-manufacturers do not seem to have made particular strides. I think these are the only leathers that should be taxed. I think a reasonable increase on kip and calf should be imposed. I think they would be able to produce the lighter kip here.

86. *The Chairman.*] Then, roughly and roundly, you think there are grounds for giving some increased protective duty as regards kip and calf?—Yes; although, as a matter of fact, it would be a very serious matter to me, because it is a very important part of my trade.

87. We have had a lot of evidence about the production of these articles: what do you think of the quality of the article known as East India kip turned out here? How does it compare with the imported?—I think its wearing qualities are equal. I am now only speaking from conversation with manufacturers—from casual information. I cannot give expert evidence in the matter.

88. *Mr. Tanner.*] In conversation with gentlemen to whom you desire to sell material of this description, do they object to buy on the ground that New Zealand dressed East India kip is equal to that which you propose to sell to them?—I do not think I have ever met the light grades in competition; but as regards stout kip there is no importation at all. Of course, there is a certain amount of colonial East India kip made, but I do not think I have ever come into competition with it, although I am a large seller of East India kips. I have never had a manufacturer compare the price or quality of colonial East India kip with the price and quality of the imported article.

(3.) Robert Watson examined.

89. *The Chairman.*] What are you, Mr. Watson?—I am a retired civil servant.

90. You are not in business then?—No, sir.

91. Were you formerly connected with the Customs Department?—Yes.

92. How long were you in the Service?—Thirty years.

93. In what capacity?—In several capacities. I commenced at the lowest rung of the ladder, and worked up. That of warehouse-keeper was my last position.

94. What is the subject on which you wish to interview us?—More particularly in connection with tea and sugar.

95. You know we are sitting here as a Tariff Commission, and I presume you have come here for the purpose of giving us some information that you gained by your experience as a Customhouse officer?—Yes; experience gained both here and at Home. Of course, in the first place, I request that my evidence be not disclosed.

96. Except that we lay it on the table of the House, as we are bound to do; but your name need not be given to the Press. With that limitation your request can be agreed to, and we shall therefore be prepared to hear what evidence you have to offer. What is it you wish to say?—As I have no immediate connection with trade and commerce, it may be said that it is presumptuous on my part to make any remarks or suggestions *re* the tariff. My only claim to be heard is that I have been a resident in New Zealand for thirty-three years, and have always taken a deep interest, and, I hope, an intelligent one, in the legislation and government of the colony. I consider that the real necessaries of life for the people ought to be free of any tax or duty, if the finances of the colony would permit. The first question to be considered is, What are the necessaries of life? At this stage of the nineteenth century it is admitted by almost every one that flour, tea, and sugar are the main requisites. It may be said there is no analogy between the tariff of Great Britain and the tariff of New Zealand. When I went to my apprenticeship, in 1850, in a large grocery establishment in the capital of the northern half of the United Kingdom, the duty on tea was the large sum

of 2s. 2¼d. per pound. The British tariff on tea at present is 6d. per pound, and sugar is free. In this colony, you are aware, the duty on tea is 6d. per pound—40 to 50 per cent. on its declared landed value, which I consider very excessive. The duty on sugar is ½d. per pound, which is about 20 or 25 per cent. on its declared landed value. What I am about to suggest for your favourable consideration and recommendation to Parliament will make little or no difference to the finances of the country. It is that the sugar duty be reduced to ¼d. per pound, equal to £2 6s. 8d. per ton, or from 10 to 12½ per cent. on its landed value. It would give a great impetus to several industries, such as jam and preserved-fruit factories, cordial manufactories, bakers, confectioners, &c., and generally would cause an enlarged, increased consumption. That is evident from experience where duties have been reduced for the bulk of the people. I would further suggest that the duty on glucose be abolished. It is principally used by brewers, and would be a small boon to that industry. To make up for this loss of revenue, I would suggest, with great trepidation, that the duty on New Zealand beer be increased by 3d. per gallon, and imported beer by 3d. per gallon also. If my memory serves me right, the first proposal of Sir George Grey's Government was to impose a duty of 6d. per gallon on New Zealand beer. By the way, I may mention that I am not a Prohibitionist. Sixpence per gallon on New Zealand beer, containing 5 to 10 per cent. of alcohol, compared with 15s. per gallon on proof spirits, containing 50 to 55 per cent. of alcohol, does not appear a very outrageous proposal. New Zealand beer has in a great measure nearly put imported beer out of the market. The quantity of New Zealand beer that paid duty in 1893 was fully twenty-one times the quantity of the imported article. I can recall to memory the time when it was the other way about. If the sugar duty were reduced or abolished it would tend to pave the way for reciprocity with Queensland and other colonies. I believe the consumption of beer and sugar for 1894 considerably exceeds that of 1893. I shall give you some statistics which I have collected from the books. The duty on collected sugar in New Zealand for the year ending 31st December, 1893, omitting shillings and pence, was on 57,731,558lb., at ½d. per pound, and yielded a revenue of £120,274. On glucose the duty collected was on 211,463lb., at 1d. per pound, or a revenue of £881. On New Zealand beer the duty collected was on 4,873,600 gallons, at 3d. per gallon, or a revenue of £60,920. On imported beer the duty collected was on 229,383 gallons, at 1s. 6d. per gallon, yielding a revenue of £17,203. If my suggestion were carried out the loss of revenue on the present tariff would be as follows: Sugar, £60,137; glucose, £881; total, £61,018; and the gain would be—New Zealand beer, £60,920, and imported beer, £2,868; total, £63,788; or a gain to revenue of £2,770. The duty paid on beer brewed in the colony for the year ending December, 1893, was £60,920, representing 4,873,600 gallons, at 3d. per gallon. The sugar duty for the same period was £120,274, on 57,731,558lb., at ½d. per pound; and glucose was £881 on 211,463lb., at 1d. per pound. There is a little item, jams and jellies, imported—namely, 346,218lb., at 2d. per pound, £2,885. Well, I suppose, if the sugar is reduced, it would give a great impetus to the local industries, and possibly the quantity imported would be lessened; I would say, lessened by one-half. Still, deducting £1,442 from the total gain to revenue of £2,770, there would be a gain to revenue of £1,328 if the sugar duty were reduced as I have suggested. I hope the Commission will carefully take these suggestions into consideration. What I aim at is to see a free breakfast-table at some time or other. I do not suppose the finances of the country could bear the strain, but some day we shall see it if we live long enough. The Commission see the aim of my suggestions, and I have only to thank you for hearing me.

97. That is your case? You make no suggestion as regards tea, but simply as to sugar, in which you propose a reduction to ¼d. per pound. You show what the loss of revenue will be, and you suggest that the decreased duty on sugar should be met by an increased duty of 3d. per gallon on beer, colonial and imported?—That is what I suggest.

98. *Mr. Stevens.*] Was not the average price of sugar to the consumer about 4½d. per pound ten years ago?—Yes; I think about that.

99. And now the price of the best sugar to the consumer is 2½d. a pound?—From 2d. to 2½d.

100. Therefore, the consumer to-day, notwithstanding the duty, is getting his sugar at over 100 per cent. cheaper than he got it ten years ago?—Yes. When I was a lad in the Old Country, I recollect, when the tea duty came off, the consumption increased most wonderfully; it increased by leaps and bounds. The duty came down in gradations; it did not come off all at once.

DEPUTATION: A deputation waited on the Commission from the Dunedin Boot-manufacturers' Association and the Bootmakers' Union of Dunedin. The deputation consisted of Mr. ALFRED H. BRIDGER, representing Sargood, Son, and Ewen; Mr. JAMES F. ARNOLD, representing the Dunedin Bootmakers' Union; Mr. SYDNEY C. BROWN, representing the Dunedin Bootmakers' Union; and Mr. ROBERT MCKINLAY, representing the Boot-manufacturers' Association of Dunedin.

101. *The Chairman.*] You attend here, we understand, as a deputation from the Bootmakers' Union?

Mr. Bridger: We attend here as representing the Dunedin Boot-manufacturers' Association and the Bootmakers' Union of Dunedin.

102. *The Chairman.*] Then, you represent both employers and employed?—Yes.

103. Then, perhaps it will be convenient to take Mr. Bridger's evidence first. Are you prepared to offer any suggestions to the Commission?—I am.

(**4.**) ALFRED H. BRIDGER examined.

104. *The Chairman.*] We have already met deputations of the same kind, but, nevertheless, it would be as well for you to state what you want to bring before us?—Ours is a very simple case. We simply wish, as far as we can see, to indorse the representations of our Christchurch representatives on both sides. This matter, I believe, has been brought before you, and if I were to place

their remarks before the Commission it might just refresh your memory as to what has gone before.

105. Then, do you indorse the proposals we had submitted to us at Christchurch without exception?—Without exception, I think, as far as they go. We might take exception to a few items, but there would be anomalies in any case. We are prepared to stand by that on both sides.

106. You are aware that includes, among other things, a fixed duty at per pair in addition to the *ad valorem*?—Yes.

107. Have you had any experience of the working of such a duty anywhere else?—We had a fixed duty here before, and I had a long experience in that.

108. Well, what was the effect of it?—I might state for your information that I have been seventeen years in the boot trade in the firm I am now with. A fixed duty was in force prior to the *ad valorem* duty of 1888. It was simply a fixed duty. There was no *ad valorem* with it.

109. Can you recall to memory what the position was as regards the amount of duty upon the article—that is to say, there was a fixed duty before 1888 upon shoes at per pair. What did that represent if translated into *ad valorem*?—The *ad valorem* duty when brought into force simply increased the duty on the higher lines.

110. Now the duty is 20 per cent.?—It practically is 22½.

111. Very well, then; if the change to an *ad valorem* duty in 1888 simply increased the amount upon higher lines, it follows that the duty on the lower values was about what it now is?—It amounted to this: that the medium-class article was left very much as it was. The duty did not materially affect that class.

112. Under the old system the duty was practically the same, except upon lower-class goods?—Except that it had the effect of bringing the lower-class goods to a much lower rate.

113. But I want to translate into *ad valorem* the fixed duty as nearly as possible. You say it amounted on the medium-class goods to what it does now?—Yes.

Mr. Glasgow: The duty then amounted to about 10 per cent. on those goods.

114. *The Chairman.*] So that the *ad valorem* duty when imposed practically raised it by 12½ per cent.?—Yes, upon the higher lines, and lowered the lower-class goods.

Mr. Glasgow: The rate of duty is 20 per cent. Some importers look upon the addition of 10 per cent. when estimating the value as if it affected the rate of duty. It really does not do so.

Witness: It only affects the landing charges. There is an additional 2½ per cent. that has to be added for landing charges. Practically the duty is 22½ per cent. on boots and shoes.

115. *The Chairman.*] At any rate, the duty is practically doubled. Well, now, if the system of a combined duty is reverted to, as proposed in Christchurch, there would be, of course, an *ad valorem* duty, *plus* the duty at per pair?—Yes.

116. To what percentage would that bring the duty altogether, all over? It used to be 10 per cent.; it now averages 20 per cent.?—I might explain that if the proposed duty were brought in force the lower lines would cease to come into the market. Therefore, it would bring it more on the higher-class goods than an average. Therefore, 25 per cent. of those goods now imported would cease to come in. So that I imagine the percentage would come to something like 12 per cent. on the average, *plus* the 1s. 6d. a pair. That would be like 25 per cent.

117. You think the duty would be practically raised all round on the goods imported to 25 per cent.?—Yes—that is, over and above the present duty.

118. That makes it 45 per cent.?—Yes.

119. Of course, I quite understand that your object is to exclude a certain class of goods altogether. But still we shall have to calculate the amount of duty that would be raised on what would still be imported. Your calculation is that it would raise the total amount of duty to 45 per cent.?—I imagine so, taking it roughly.

120. You say you have had experience here of the old system of things, when the duty was levied at per pair, prior to 1888. Have you had any experience of what has gone on in another colony where a duty has been placed on boots at per pair and increased at various stages?—I do not know that we wish altogether to see that kind of thing here. The idea embodied in the letter sent in to the Commission is that we want something moderate.

121. Do you know what has been the effect upon your own trade in Victoria? Is it the fact that the duties in Victoria have been raised at per pair successively from 1s. 6d. to 2s. 6d., and then to 3s. 6d. per pair?—That is the fact.

122. The alleged fact in regard to that, is this: that the result was to give an enormous impetus to manufacture, so large, indeed, that people rushed into it and manufactured more goods than there was a demand for. And it is further alleged that that over-manufacture went on to such an extent that the output now for something like 1,200,000 people is sufficient for a population of five millions, and that, as a consequence of that, the wages of the operatives have fallen 50 per cent. Is that the case?—Those facts are quite true.

123. And in the face of that you think, if a similar style of duty were imposed here, you would not have the same results?—Only in a moderate form. These low-class goods are eating the vitals out of the men of the colony, and are very much to the detriment of the wearers, from the fact that they buy an article in which there is no value, comparatively speaking.

124. I still want to get at the end of this one branch of the subject. If the duties were raised as proposed here, and in view of the fact that there are a large number of bootmakers out of employment, and that there is great depression and apparent over-production in consequence of the trade being so stimulated, under these circumstances, in Victoria, would you be surprised if some of the manufacturers there opened up factories in New Zealand, and brought in a lot of Victorian workmen, if the duty were altered as you desire?—That might follow or not. The population of New Zealand is very small compared with Melbourne, and the facilities for manufacturing

for our own requirements are such that it is a very grave question whether Melbourne manufacturers would even entertain the idea of starting factories in this colony.

125. If they did, do you think the position as regards the operatives here would be very much improved if competition were brought in from "the other side"? Would it not defeat your own object?—Our object at the present time is this: Operatives are wanting work, and the reason they have not a proper amount of work is that the imported article is undermining the local manufacture.

126. The main representations made elsewhere, which you indorse, are, first, that there should be this fixed duty; and, secondly, that that duty should apparently bear more heavily upon the inferior class of goods?—Yes.

127. And you say this inferior class of goods is sold, practically, to the detriment of the consumer here, inasmuch as the article does not last?—It is both a detriment to the operatives and to the consumer. That is unquestionable.

128. Although it is undeniable that the cost would be greater to the purchaser, you say that, as the article would last him longer, he would not eventually be out of pocket?—He would be in pocket through buying a better article, which would last him longer. His footwear would cost him less than it does at the present time.

129. Is it or is it not a fact that at the present time, in regard to lower-class heavy-nailed boots, the local manufacturer commands the market?—Very largely.

130. It has been stated to us that there is very little, or scarcely any, of that class of boot imported now?—They are creeping in gradually lower and lower, until they are getting so low that we cannot touch their price.

131. It has also been represented to us that, on the other hand, for the lower class of the cheaper, women's goods, the imported article drives out the locally-made article?—It does, very largely.

132. And the reason which has been alleged to us is this: that it is not so much that the article could not be produced at the same money here, but that the finish of the cheap-made article at Home is better than the finish of the cheap-made article here, because, although the workmen here have the ability to put a good finish on work, they have not been in the habit of turning out cheap, flashy goods. Is that true?—No; it is not true. It is more a matter of pounds, shillings, and pence. They would devote more time upon the article than the operatives at Home.

133. Is there any other special representation you want to make on behalf of your association?—Well, of course, we are limited very largely by indorsing the representations of our Christchurch friends; but the one thing I would like to emphasize more than anything else is the exclusion of the very low-class rubbish that comes from districts where practically no wages at all are paid. There is no living-rate in the case of these goods, and they come in to compete against articles that at the present time have only a fair-living rate on them.

134. I should like to ask you a few questions in connection with leathers. You work up colonial leathers as well as other leathers in your industry?—Yes.

135. And no doubt you will suspect, if you have not already been informed, that the curriers are also approaching the Commission. Upon certain classes of leather the Commissioners have been asked to recommend an increase of duty, because it is claimed they have the material to produce the leather, and have the ability to do so; also the ability to produce an equally good article at an equal price, provided they had command of the market; and they allege that an increase of duty will give them that command. Has there been any consultation between that industry and your own in order to arrive at a *modus vivendi*?—None whatever.

136. With regard to an article called East India kip, manufactured in this colony, can it not be produced here of equally good quality with the imported article? It is alleged that it can be: is that the case?—I have as an authority the largest tanner here who says that it cannot be. They have tried, and have failed in the attempt.

137. You would be opposed to a duty on that, I suppose?—Possibly on the lower grades we might agree to an advance.

137A. You say some of the tanners assure you it cannot be produced here?—Yes. I have been assured that they have tried and have utterly failed.

138. They say that calf can be produced equally well?—In the first place, the calves are not killed to produce the quantity, and they cannot give us a tithe of what is required, with all the importation from Sydney and Melbourne.

139. Then, what about fancy leathers?—As regards fancy leathers, it is just a question of duty or no duty. We are very fairly catered for under the present tariff.

140. But as regards the colonial manufacture, do you find they are as good as the imported?—As regards the ordinary rank-and-file of stuff, they would compare favourably. For general purposes, they are very much in the position to-day of having command of the market.

141. You think they do not require a larger duty?—I do not think they do. They may for other reasons. I have no difficulty in getting plenty at the present time, and others, I dare say, find themselves in the same position.

142. Would you like to add anything to what you have already said?—I have stated the case pretty fully. You brought up the East India kip question. The colonial tanner might augment his business by getting this excluded, but it would disorganize the trade, because the colonial tanner could not supply the quality or quantity required.

143. *Mr. Tanner.*] You are aware that the Christchurch recommendations to the Commission involved both a fixed duty and a percentage duty—a dual duty, in fact?—Certainly.

144. Do you know whether the State has at any time arranged such a duty on articles coming into the colony?—I do not think so.

145. Do you know any other State in which it has been attempted?—It has been mentioned, as far as I know, in America, but I have no knowledge that it has been enforced anywhere, because I have not made it my business to inquire.

146. You said the alteration in the tariff in 1888 had the effect of increasing the rate of duty on the higher grades of boots and shoes imported?—Certainly.

147. Do you know a class of boots known as the K boot?—Yes.

148. And the class known as Cookham?—Yes.

149. What would you call a Cookham?—It all depends what the Cookham is.

150. I mean the old Cookham boot—the boot that is known in the trade, and has been known for a couple of generations past, as Cookhams. You acknowledge that both these classes of boots are imported into the colony at the present time?—No; Jones's Cookham is very much excluded; and as for the K boot, that is simply sold from the fact that it has a sort of local standing, caused very much by a monopoly which is restricted to certain houses that have made a speciality of it. They are largely selling it as a speciality, and therefore it is not affected by the duty at all.

151. How long has the K boot been imported into the colony?—I should say for ten years.

152. Was it imported before the duty of 1888 was imposed?—I should say so. I have no personal knowledge of the K boot, because it belongs to a firm outside ours. Therefore I take no interest in it.

153. You acknowledge that the K boot and the Cookham boot are imported?—The K boot is imported from the fact that it is a monopoly, but the Cookham boot is excluded.

154. Is it within your knowledge that Grain Shooters are imported?—A few may be.

155. If the alteration of the tariff in 1888 led to a higher rate of duty being imposed on the better grade of goods, how do you account for it that after seven years' experience of the new tariff these boots are still imported?—They are hand-sewn boots. Hand-sewn boots are things that are not made in the colony in any quantities; and I think I have the whole of the union at the back of me, and that they will say I am perfectly right. Hand-sewn boots are made in the colony only in limited quantities.

156. But if there is a demand for that particular method of making, how do you account for the fact that that demand is not filled, or any attempt made to fill it by the local manufacturer?—From the fact that there exists a considerable prejudice in favour of the imported among a certain class, and they would take an imported article at a considerable advance on that particular class of goods only.

157. You speak of the exclusion of cheap goods, or, I take it, you intended the exclusion of cheap lines of goods, and pointed out that they were not only cheap but of poor quality and unserviceable. You would have a prohibitive duty put on these in the interests of the community at large?—Yes, and also in the interests of the manufacturer. There is no doubt about it that it would largely benefit the wearer from the fact that his annual footwear would not cost him as much as the common imported article does; he would not wear them out so soon.

158. I am not doubting your statement, but only want to get the statement in your own words, not in mine. How do you make up the 22½ now charged as duty?—It is 20 per cent., but the expenses bring it up to 22½.

159. Are not the goods at *ad valorem* rated in the same way?—Yes. It is practically paying 22½ right out instead of 20—2½ for expenses, or *ad valorem*.

160. *Mr. McGowan.*] Who are the customers for this lower class of goods of which you speak: are they not the poorer people?—Yes, the working-classes as a rule.

161. Not altogether the working-class men?—No; it is more the working-class women.

162. Will the increase of duty upon this class of goods not increase the price of them to these people?—No; from the fact that if you were to put down the two articles side by side at the same figure they would take the better article, because they know there is better wear in the better article. They would take the better article and leave the poor one. There would be an increased rate, but it would not be an increased cost to them per annum. They will take the better article, and get better satisfaction out of it. They will soon discriminate the difference in value. If you were to put a five-shilling boot alongside a three-shilling boot, and say the latter was 5s., it would not take them long to discriminate the difference in value.

163. Is it not a fact that women in buying boots sometimes buy as much from the appearance as from the amount of actual wear they will get out of them?—They find that out from experience. It always finds its own level. The retailer is so fond of putting before the general public something of a cheaper nature than his next-door neighbour's that it has had the effect of bringing the price down, down, until profit is almost a vanishing quantity.

(5.) James F. Arnold examined.

164. *The Chairman.*] Have you anything to add to what has been placed before the Commission by the last witness?—I would like to emphasise the statement that we fully recognise the result that might follow a prohibitive tariff—that is, with regard to the illustration you yourself have quoted with respect to one of the other colonies, namely, the result which followed in consequence of internal competition; but we hold very strongly that the prices quoted by us and our Christchurch representatives would not have that effect so far as this colony is concerned.

165. You think the increased duty would not induce undue competition here?—Yes. We recognise the fact that the Christchurch people have placed the matter very fully before you, and, therefore, it is unnecessary for me to detain the Commission about matters which have been so fully brought before you already.

(6.) Sydney C. Brown examined.

166. *The Chairman.*] What is it you desire to bring before the Commission?—I wish to say a word or two in regard to the question you raised with reference to Victoria—that the increased manufacture practically ruined the trade through over-competition. Up to 1885 the Melbourne union was one of the strongest in the colony. I was in Adelaide just before that. At the latter end of 1885, about October, they started a movement there to have all the work made in the

factories, and that movement resulted in a very large strike through this question. The men eventually won, and the new condition about having all the work made in the factories was to come into force in January, 1886. The depression came on at that time, and through this the manufacturers declined to carry out their agreements; and through their not carrying out their agreements and the depression, the union commenced to fall away; and through the union falling away a large number of manufacturers returned to the original plan, or what the union had tried to put a stop to—namely, the taking of work outside and sub-letting it to boys, and so forth. Through the depression and the union falling away, the manufacturers worked a bad trade on this principle of outside work, and that is one of the main causes of the depression in the boot trade at the present time. The men asked for and got a further increase on the tariff, but, as they were not able to stop this outside work, the trade still kept getting worse and worse.

167. In point of fact, you attribute the state of things that occurred in Victoria not to the increase made in the tariff, but to the breaking-down of the union principally, and recourse being had to sweating?—That is the main cause of it. The men themselves were greatly to blame; but they have not been able to pull themselves together under the depression.

168. *Mr. Tanner.*] I should like to call your attention to the bearing which this evidence has upon evidence we took this morning. The witness I refer to distinctly assigned the large number of unemployed operatives to the system of sub-contracting, which has brought into existence a vast number of small employers, to the detriment of workmen and employers alike; and I think he has given the real reason, too. Is that not the case?—It is a well-known fact to any one connected with the boot trade in Victoria that men took perambulators, went into these shops, and took home with them work which they worked at under union rates.

169. *The Chairman.*] It is, in point of fact, what is known as sweating?—Yes. There is one more question in reference to the cheap lines of goods imported. As we all know, right through England and the Continent there has been a large introduction of machinery. Almost the whole of this machinery is set for different kinds of work. The principal work it is set to make is women's cheap lines. Through the manufacturers in England having a large export trade, they are enabled to make large quantities of certain lines; but, the colony not having any export trade, no factory in New Zealand, as far as I am aware, has been able to keep to one class of work. So that, having to manufacture all classes of work, they are not able to produce such work at the same rate.

170. Then, the reason of England competing to your disadvantage is that the work there is specialised, and there is sufficient demand to keep to that special work. Now, supposing the effect of the tariff was in any one or all of these lines to shut out the competing article, and supposing that in view of having a business in all these the local manufacturers were to go in for that special class of machinery, would there be in the colony a sufficient area to keep their machinery going at a fair price to the consumer?—I think it would reduce the cost to the consumer.

171. It must be remembered we have a very small population. That is the reason I put the question. Supposing your argument is a good one, do you think there is scope enough in the market to enable you to go in for this specialised machinery?—For some of it.

172. It would be almost as well if you would distinguish it, and say how far you think the tariff should assist you in particular lines. Can you furnish that information?—I will endeavour to supply you with it.

(7.) Alfred H. Bridger re-examined.

173. *The Chairman.*] What is it you wish to add to the information you have already given the Commission?—I should like to point out that the main object of our presence here is to do away with the sweating article. We do not want to increase the price to the consumer, but the sweating article is impoverishing the life-blood of the operatives.

174. *Mr. Glasgow.*] Sargood and Company import various kinds of leather for manufacturing purposes, do they not?—Yes.

175. Do you know a leather described as "morocco" in the tariff?—Yes.

176. Are you aware there is a certain kind of leather, not goatskin, but called "morocco," which is produced in America and imported?—Yes. That is what is called American buffalohide.

177. The department refused to admit that free, and it was classed as "leather not otherwise enumerated." Is that leather used for making uppers?—No; it is used entirely for furniture.

178. Is it not used for slippers?—I am not aware that it is.

179. Is it not a much thicker leather than true morocco?—No; it is much lighter.

180. This particular leather, if I remember rightly, was very much thicker and more suitable for uppers than true morocco?—All the moroccos imported from America, I might say, have been furniture moroccos.

181. You do not think it comes into competition with upper leathers?—No.

182. Are there any other hides besides cow and horse levanted?—You can levant anything.

183. Do you think there ought to be a distinction between the kinds levanted?—We always make one, and say levant persian, &c. This morocco question has been an old subject of controversy. It is one of those questions upon which experts might differ, because the levant goods will come so close in appearance to morocco.

184. I am speaking of levant leather. The question is whether all levant leather should not be made one rate of duty?—It would simplify it very largely, and I agree that all levant leather should be one rate of duty, as far as I can think at present. There is no reason why it should not be. It is only a question of the process of levanting.

185. *The Chairman.*] I find, with regard to leathers, that the question was brought up in Christchurch, and the witnesses there represented that they were of opinion the tariff should remain as it is on all leathers except certain leathers specified. Do you agree with that recommendation?—The Christchurch manufacturers and Bootmakers' Union expressed their opinion to the Commis-

sion that, "being large consumers of all kinds of leather, we recommend that the present tariff remain on the following leathers: Wallabi, goat-skins or moroccos, calf- cow- and horse-hides dressed, as levant, roans, persians, cordovan, East India kip, kangaroo, glacé- or glove-kid, calf-kid, mock kid, enamels or patent leathers or cloths, levant seal, crup or porpoise, ooze, and other leathers not otherwise enumerated, 1d. per pound. That the following alterations are advisable: Cow- or ox-hide dressed as kip, 6d. per pound; ditto, buff or split, 3d. per pound; sole leather, 3d. per pound; basils, 3s. per dozen; rough-tanned hide, free." I quite concur in the recommendations made by the Christchurch deputation.

Messrs. John Joseph Connor, John Barclay, and Patrick Leith Ritchie attended the Commission.

186. *The Chairman*]. I believe you attend to-day as a deputation?
Mr. Connor: No, sir; we appear on our own behalf.
The Chairman: Then, we will take your evidence separately.

(8.) Mr. John Joseph Connor examined.

187. *The Chairman.*] You attend as a master printer?—Yes.
188. You are all master printers of Dunedin, and you attend the Commission, I presume, for the purpose of urging some matters in connection with your industry?—There is one particular item to which I wish to draw your attention. I now produce specimens of what are called pictorial calendars. We are under the impression that when the present tariff was brought into force printers generally made a recommendation that a certain duty should be placed on certain printed matter, and that card calendars, such as are used by insurance companies and other commercial concerns, were specially mentioned. We are of opinion that it never was the intention to place a duty on this particular class of work—pictorial calendars—which is not within the range of local production. These pictorial calendars are now charged 25 per cent. Previously they came in free.
189. Are these card calendars subject to duty?—Yes; they are on a par with these pictorial calendars. Prior to 1888 the master printers made a representation, asking for a duty upon card calendars and commercial printing. These goods I now exhibit have calendars added to them when imported, but there is no local printing. These pictorial calendars are presented by tradesmen to customers, and are framed and hung up. They are really works of art, and go to improve people's houses, and the houses of settlers generally.
190. On what ground should they be exempted from duty?—On the ground that they cannot be produced here or in Australia.
191. As a matter of fact, what are these articles?—They are chromo-lithographs.
192. Now, can you so describe them as to bring them in free and thus escape the description which brings them in now as dutiable articles? I want you to describe them so that there should be no conflict between these and the insurance calendars?—I should call them pictorial calendars printed on paper—sheet calendars printed on paper. There is a large quantity of calendars on which it was desirable to have a duty, and which did encourage the business of local printing—printing on cards with fly-leaves attached. That is where the confusion came in between the two kinds.
193. Do you think the department would except these if they were described as pictorial sheet calendars, printed on paper?—Yes.
194. Do you not think it would be as well to describe them as chromo-lithograph sheet calendars?—Yes; that would be better; or pictorial sheet calendars in chromo-lithography. It is not intended to bring them in as pictures only, but as calendars we want these large sheets to be free. That is the only item we are specially interested in.
195. Are these imported to any large extent?—Yes; they are still imported to a considerable extent, but I suppose the importation is only about a third of what it was; in fact, less than a third.
196. Then, the imposition of the duty has had the effect of stopping it?—Yes, to a great extent.
197. And you think that is in consequence of the duty?—Yes; people say they are too dear now.
198. Then, as a matter of fact, if they cannot be produced in the colony, there is nothing to be gained by keeping them out in the way of providing labour?—No.
199. But does not the local printer get something for putting in the name of the firm?—Yes; that employs a lot of labour all over the colony.
200. Is it not possible, supposing a person took a fancy to any of these, to send Home for them and to get them sent out, with whites left round them for advertisements?—Yes.
201. *Mr. Hutchison.*] Do you think it would be a benefit to the trade of the colony to allow these pictorial calendars to come in free?—It would cause a large amount of money to be spent in employing canvassers to sell them. It would give employment in the printing-offices in setting up advertisements. I received an account the other day for nearly £40 on account of these things.
202. If people did not get these sheets, do you not think they would have something else done by you?—I do not think so. As a matter of fact, we do not find that to be the case to any very great extent.
203. Do you not think we could make these ourselves?—I have conversed with all the printers in the city on this subject, and I have had a good deal of experience in other colonies with people who trade in these almanacs, and they all agree that during the next fifty years this work will be absolutely outside the scope of colonial printers. Now, with regard to Mr. Hutchison's idea, that if these things were debarred from being circulated by the imposition of the present duty the money would be spent in some other way, the importation and circulation of these pictorial calendars have decreased very much, and we have never found anything else being used and taking their place.

204. *Mr. Tanner.*] What is the wholesale value of these things?—A picture such as the one produced would be £30 per thousand.

205. *Mr. McGowan.*] Could you roughly state the time when it became popular to adopt these pictorial almanacs in the colony?—I suppose, about 1883.

206. Was it not the habit of many colonial firms and others to send out colonial-manufactured almanacs and calendars in various devices previous to the introduction of these?—Very few, with the exception of the insurance companies.

207. It was a fact, though, that some were sent out?—Not in the sheets.

208. But something else that took the place of these?—Not more so than now, even with these.

209. But there were calendars sent out before the introduction of these pictorial sheets?—Yes; the insurance companies sent out calendars.

210. Did not private individuals also do so?—Very, very few.

211. But it was done?—Oh, yes; it was done.

212. You say now that you think the introduction of these sheets is reduced by two-thirds. Does that not arise more from the fact of its being out of fashion than on account of the expense?—I think not. The duty is prohibitive. People say they are too dear, and they would rather do without them.

213. The lessened demand for these things is not so much owing to the cost as it is owing to their going out of fashion, because they have become so common that they are no longer the novelty they were at first. Is not that the case?—No, sir; I do not agree with you.

214. *Mr. Glasgow.*] Supposing these things were imported without any calendar, what heading would they then come under?—Then you have them in your tariff as "Pictures, 15 per cent."

215. You are wanting a complete article admitted free, and an article partly completed charged with duty?—When a picture is imported as that is, it is purely a picture, and may be sold as such privately; but when a calendar is attached it cannot be sold as a picture. It is distributed gratuitously to the customers of the various merchants. The object of the advertiser in paying £30, £40, or £50 is to get the benefit of the advertising. Whether he is right or not has nothing to do with us. The people get the picture for nothing.

216. *Mr. Stevens.*] I understand you want these calendars to be imported free, and then, in addition to that, you wish to be able to print the local advertisements in addition to that which has come in free?—Yes; and the mouldings attached top and bottom, on which we get a profit. Many of the storekeepers present these pictures to their customers in lieu of a bottle of whiskey. They are cheaper than the whiskey, and do more good.

(**9.**) JOHN BARCLAY examined.

217. *The Chairman.*] To what firm do you belong, Mr. Barclay?—Mills, Dick, and Co.

218. Have you anything to urge in addition to what has been already placed before the Commission by Mr. Connor?—No; I have nothing further to urge.

219. Do you concur in the representations he has made to the Commission?—I do.

(**10.**) PATRICK LEITH RITCHIE examined.

220. *The Chairman.*] To what firm of printers do you belong, Mr. Ritchie?—The Caxton Printing Company.

221. You have heard the evidence given by Mr. Connor. Do you concur in the recommendations he has made to the Commission?—I do.

222. Have you anything further to urge in addition to what has been already placed before us?—Nothing more. Mr. Connor has fully stated the reason we have for attending the Commission.

(**11.**) W. J. MEEK examined.

223. *The Chairman.*] I believe the subject upon which you desire to interview us is writing-ink?—Yes.

224. What are you, Mr. Meek?—I am an ink-manufacturer, carrying on business in Dunedin.

225. How long have you been engaged in the industry?—Nearly nine years now in the colony, but all my life at Home. I have been engaged in the industry altogether for about thirty years.

226. Do you employ any hands in your factory?—Yes; two.

227. What are the wages you pay?—£1 a week, and 12s. They are both lads.

228. I suppose you have got something to say in connection with the tariff as affecting ink?—The difficulty I find in introducing the ink here is in competing with the ink sent out from Home on consignment, on the chance of its being sold. Any ink that is sent out is sold. It is invoiced at Home by the manufacturer, who is probably an unknown man. He will send it out invoiced at a very low rate, barely covering the cost in many instances. The duty is paid, and I know of instances where greater returns have been sent Home than the invoiced values, and yet you see the amount the duty has been paid upon is just the invoiced value.

229. Do you mean to say that the person who sells on consignment remits to the person sending out the ink an excess on the invoice? Supposing he sells it for what it will fetch, what then?—It is sent on consignment.

230. Sometimes goods are sent out to be sold in the open market for what they will fetch. If the goods are sent out at invoiced rates, is it understood they are to be sold at the invoice rates, or above them?—They must be sold at those rates or above. I know a case in point where two hundred gross of penny-bottle inks were sent to Wellington, and the invoice was made out at 2s. 9d. per gross. Now, they cost that at Home, and I know for a fact that more than that was remitted to the manufacturer. I do not know whether the person who sold them paid any extra

duty on the amount; but it is manifestly unfair to get it in here in that way. That is not a solitary instance. I know of many of them.

231. Do you manufacture inks of all colours?—All kinds of writing-ink—black, coloured, and copying.

232. Now, as regards the quality of the ink, do you undertake to produce as good an ink as the imported article?—Yes. I may inform the Commission that I was inkmaker for Stephens at Home for nine years. That is a pretty good credential, I should think.

233. As a matter of fact, you say you do prepare as good an article here as can be imported?—Yes.

234. And now as regards price: how does it stand compared with the imported article?—I have to sell it cheaper. Ink is the most difficult thing to introduce. There is so much prejudice. If I go to a man and ask him to buy my ink, he says, "I do not know whether this ink is going to last or not. How am I to know what it will be like in twenty years?" It is too long for me to wait to prove it to him. It is a very difficult business to work up, and consequently I have to sell at a lower rate than the imported article. My prices here now are exactly the same as Stephens's inks are at Home, so that a bookseller and stationer saves freight and duty; and even in the face of that there is now far more of Stephens's ink sold than there is of mine.

235. I presume you therefore ask for an increase of the duty on imported ink?—Yes, in this way: not to increase the *ad valorem* rates, because that would not benefit me much. What I want to get at is the manufacturers sending out ink at certain invoiced values. Good and bad inks pay the same rate.

236. How would that affect ink sent out in small bottles?—It can easily be got at. These bottles are presumed to hold an ounce of ink. There are 160oz. to the gallon.

237. You ask for a duty of how much per gallon?—4s. a gallon would, I think, be a fair thing, as it would assist the industry.

238. Do you sell any inks in penny bottles here?—Oh, yes. You see my price is 9s. per gross. I cannot do them under that. The Home maker's price is 4s. a gross; but I have told you of an instance where these penny bottles were invoiced to Wellington at 2s. 9d. per gross.

239. How much does freight and duty add to that?—The duty is 22 per cent., including cost of the cask, and the freight will cost, I should think, fully 20 per cent. There is no money in the penny inks, and it is rather unfair to take them by way of comparison. If you took the quarts it would be different.

240. If you add 50 per cent., it would give you 6s., and you charge 9s.?—That is the only line I cannot compete with. As a matter of fact, those cost me 9s. I cannot buy bottles at Home under 2s. Manufacturers buy bottles at Home for 1s. 8d., and take them as they come from the kiln. I have picked bottles, and pay 2s. a gross for them instead of 1s. 8d.

241. Supposing we take quart-bottles: what then?—Stephens's quarts are £1 4s. a dozen at Home, and that is the price of my quarts here.

242. You are evidently underselling?—Yes. You may say, roughly, there is 6s. a dozen duty The freight is not so high in this case. You might say 15 per cent. freight—about 3s. 8d.

243. Then, as a matter of fact, you are now underselling in the quarts by nearly 10s. a dozen?—In quarts, pints, and half-pints I am selling cheaper than Stephens; but in the penny bottles I am dearer.

244. Of course, the smaller the bottles the higher the freight in proportion, and therefore the greatest advantage you give the consumer is on the large bottles?—Yes. There is the same rate from the quarter-pint upwards.

245. You ask for a duty of 4s. a gallon. That is about double what it is now, based upon Stephens's prices?—Yes.

246. That would put 12s. duty upon a dozen quarts?—Yes. It would increase the difference to 2s. a quart.

247. Well, then, supposing that were the case, that would raise the price, the net cost, of Stephens's quarts to about £2, as against your £1 4s.?—Yes.

248. What do you think would be the effect of that?—I think it would shut Stephens out. That is all I want to do. I do not want to raise the price of my ink.

249. But supposing it had that effect, how many other ink-makers are there in the colony besides yourself capable of turning out an equally good article?—There are five or six other ink-makers besides myself.

250. Would it be at all likely you and these five or six other ink-makers would combine together and raise the price of ink?—I am sure I should not. I would be perfectly satisfied to keep to the present prices if I could get a fair share of the trade. I think the competition among ourselves would keep the price down. I think my ink is the best-known ink in the colony.

251. You think there would be sufficient competition to prevent the price being raised?—Yes. There is only a limited demand. If one is getting more trade than another, and attempts to raise the price, I think competition will keep that in its proper place.

252. Then, we have it, shortly, that you claim to produce an equally good ink with Stephens, having been yourself ink-maker to the very firm you are now competing against, and whose ink you at present do undersell, except in regard to penny bottles?—Yes; and Stephens does not send out penny bottles.

253. But, in consequence of the competition, you say you cannot compete with the imported penny bottles?—Yes.

254. And you think the duty you propose would be such a handicap as would keep out that very article, and even then the public would be at an advantage, because you are now supplying ink more cheaply than the imported article, and would not raise the price?—Yes. I want you to understand particularly that my object in coming here is not so much to keep Stephens out as to keep out these very cheap inks. If the *ad valorem* duty is raised to 50 per cent. it will not benefit the trade,

because an inferior article will be sent out. We should not be very much better off than now. But if all inks have to bear the same rate of 4s. a gallon, cheap inks and common inks and all inks being classed together, it will effectually shut out all inks now sent here on consignment.

255. *Mr. Hutchison.*] Why have you not been able to capture the market? The prejudice you speak of would only apply to a limited extent—to lawyers, &c. ?—No; it applies very largely to mercantile houses, and other large consumers of ink. If a man goes in to purchase a sixpenny or a shilling bottle of ink, if the stationer says he uses it himself, the customer will take it. But if a merchant sends for a bottle, the cry is, "Get Stephens's ink"; and he wants it, and no other. I delivered samples of my ink to all the offices, but I think most of them have gone home to the office boys' mothers.

256. Do you not think that reason would apply with equal strength suppose the ink were very much dearer?—No; because people begin to think when they have to pay for their prejudices. I often hear them speaking now of the difference in price. In one instance a man went into a stationer's shop for a bottle of ink; he was shown a bottle of Meek's at 3s. and a bottle of Stephens's at 4s., and he said, "Give me the 3s. one."

257. Do you not think that will come to be the case?—It is better than it was. But I think we can hasten the thing by making them pay for it. It is the rubbishing inks sent out on consignment at very low rates I want to get at.

258. You cannot compete with them now?—No; whereas, if the *ad valorem* is dropped, and 4s. a gallon put on inks all round, there will be no more of that inferior ink coming into the market. They will either send out good ink or have done with it.

259. *Mr. McGowan.*] Have you been able to get your ink introduced into the schools?—I think my ink is used in almost all the schools throughout the colony.

260. That ought to be a good advertisement for it?—Yes. I think, as the young generation comes up, the demand will grow, but it is too long for me to wait.

261. Do you think 4s. per gallon will be sufficient to have the effect upon the cheap inks you speak of? I suppose Morrison's is one of them?—Yes; that is one of the inks sent out to Wellington at 2s. 9d. a gross.

262. Are the inferior inks not generally in penny bottles?—I know that in Wellington now there are three casks of Field's and two casks of Hyde's which, if they had to pay 4s. a gallon, would never have been sent in.

263. Have you ever attempted to get bottles from any pottery-works in the colony?—Yes; but they cannot make them at all. When Graham and Winter had the Milton pottery I gave them an order for a quarter-gross each of quarter- and half-pints; but I told them, "I want you to understand this: that the necks must be right; one cork must run through the whole of the bottles." The bottles I get out from Home are all gauged to a size. Graham and Winter sent me down five gross of bottles; but Mr. Graham came to me and said, "I cannot charge you for them; they are not what they ought to be." They varied in size in the necks. The corks are cut to a size; and when you get some necks that would take a bung it would not do to send out such bottles.

264. *Mr. Hutchison.*] I understand they do make them here?—Yes; but they make them badly.

(12.) Gerald Blanchfield examined.

265. *The Chairman.*] What are you, Mr. Blanchfield?—I am a currier.

266. Where are you carrying on business?—I am not carrying on business on my own account. I am employed by the firm of C. and J. Coombes.

267. Where are their tanneries?—At the North-east Valley, Dunedin.

268. In what capacity are you employed there?—As currier and leather-dresser.

269. How long have you been at the business?—About nine years.

270. Now, I suppose you have some representation to make to us in connection with the tariff? We have had a meeting of the tanners and curriers of Dunedin recently, and we decided on recommending an increase of the present tariff on leathers.

271. Were you appointed a delegate by that meeting?—Yes. The other delegate, Mr. Ernest Irvine, of Port Chalmers, is ill, and unable to attend. He was to represent the firm of Michaelis, Hallenstein, and Farquhar. At that meeting certain recommendations were agreed to—namely, that the duty on kip, including East India kip, be raised to 6d. a pound. The duty on ordinary kip at the present time is 3d. a pound, and that on the East India kip 1d. You will understand that we recommend that all kips should be 6d.; kangaroo-skins, dressed and in rough, 6d.; buff and tweed, split leathers (dressed and in rough), levant, cow- and horse-hides, calf- (other than French) hides, or calf for light-stained leathers, levant not otherwise enumerated, hides (tanned) not otherwise enumerated, all of which we propose should be 6d. instead of the present rates.

272. In round figures, you ask that all these articles be raised to 6d.?—Yes. Then, we have bookbinders' leather—roans, persians, moroccos, sheep- and goat-skins, 25 per cent. We also favour the production of bark in the colony. In 1893, out of 4,548 tons of bark used, only 383 tons were produced in the colony, and we would like to see the production of bark in the colony encouraged. We favour the East India kip in the hair coming in free, so that it may be manufactured in the colony.

273. How many tanneries are there in this immediate district: do you know?—I could not tell exactly. There are 104 tanneries in the colony.

274. You are acquainted, I suppose, with that at Port Chalmers?—Yes.

275. What is the rate of wages paid there?—About £2 a week, I suppose, right through. Curriers are getting £2 10s. there. Their hands would average about £1 15s.

276. Now, are all these men fully employed?—Yes.

277. Business is pretty brisk, is it not?—It is brisk with them, but not so very brisk with our firm.

278. And, as regards the trade generally, is there a want of employment in the trade?—There is not. We average ten or eleven months in the year all round.

279. So that under the present state of things curriers seem to be getting pretty well employed?—Yes.

280. How many hands do you think the tanneries in New Zealand employ?—The 104 tanneries throughout the colony employ about two thousand hands.

281. Then, from the point of view of labour, what is the principal advantage to be gained by an increase of duties, if all the labour is now employed ten months in the year?—It is to benefit the prices of the leather generally, and to cope with the competition which is caused by the imported article. In buffs, for instance, we really believe we are turning out a better article than the Home article; and, in fact, we have the opinions of several retailers that we are doing so; and yet the retailers are buying the imported article, and the public generally do not know the imported from the colonial.

282. Can you say that with regard to all these leathers on which you ask the increased duty to be imposed you can produce them equally as good as those imported?—Yes.

283. Then, supposing a shoemaker were to come and tell us he could not get leather equally well made here, which statement would be reliable?—It is our opinion we can turn out the stuff equally as well as the imported, of equal quality. We left out the French calf because we do not profess to be able to turn it out as well; and in the levant there is a goat levant which is something similar to the French. We cannot turn out levant equal to the imported levant, because we have not the goats here. That is a particular line.

284. Supposing that the duties you are asking for, or anything like them, were imposed, would it have any effect upon the quantity of labour required? Would it increase the output of the leather factories?—It would.

285. Have you any idea to what extent? Have you calculated it?—No; I have not gone into that.

286. But suppose the object is that you should supply the locally-manufactured article instead of the imported, to that extent it would increase the demand?—Yes.

287. Do you claim to be able to supply it at the same price as the imported?—I think so.

288. Is it fair to ask you if you have had any communication with the leather trade in Christchurch, or have they communicated with you?—They have communicated with us.

289. And your list of articles, I think, corresponds pretty nearly with the list that they recommended?—Yes.

290. They have sent you a copy of the list?—Yes.

291. I see a point of difference here. You ask that all kip, including East India, be raised to 6d., and their request was simply East India kip dressed?

292. *Mr. Tanner.*] You mean 6d. a pound on kips of all kinds?—Yes.

293. *The Chairman.*] You are right as to the number of tanneries in New Zealand, and nearly correct as to the number of employés. Has there been any conference between yourselves, as the suppliers of the leather and the shoe trade, as the workers-up of leather, as to the question of tariff? No; we have had no communication whatever.

294. *Mr. Hutchison.*] Are you not aware that it is generally understood that, although you can make leather theoretically as good as the imported, really it is not so good, because the makers cannot keep it long enough in stock to harden and be fit for use?—No; I was not aware of that.

295. But you are aware, I suppose, that leather requires to be kept for a considerable time by the shoemaker before it is fit for use?—Well, not for a considerable time. I suppose every time we turn it out it is fit to be made up a fortnight or three weeks afterwards.

296. There are differences of opinion on that point, are there not?—There may be, but I was not aware of the necessity for our leathers being kept for a considerable time before being made up.

297. *Mr. Stevens.*] Is it not necessary, in order to have good leather, that the leather should be seasoned, thoroughly dried? Is it not necessary that the whole of the sap, the whole of the water substance, should be expressed from the hide?—Yes.

298. Can that be done a fortnight after it has been dressed, because it must be in a damp state when dressed?—We dry it out thoroughly. Our top finish may require a little lapse of time before it is fit to be handled.

299. Do you find that the New Zealand hides are much damaged by branding?—Yes; very much.

300. And by bad wounds from wire fencing?—Yes.

301. How do you distinguish the difference between a scratch from a wire fence and a brand, on the hide?—A brand itself is usually on the shoulders or the hip, and it brings up a regular thick welt after the leather is tanned; but with a barbed wire scratch it is more like a jagged scratch that had been stitched up. It would not have the same appearance as the brand, and does not do so much damage.

302. It does not go through to the fleshy side?—Not always; in fact, very seldom. There is a certain pressure on the hide when going through the splitting machine, and if the man is not very careful when it comes to a brand it will tear apart.

303. As to kip, can you get hides for kip?—We could find any amount of leather for kip if needed.

304. What kind of cattle is the hide produced from?—Light hides.

305. Are the butchers' hides too heavy for kip?—Yes; we use them for harness. We always pick out the very lightest we can in cow and heifer hides.

306. Are they capable of being made into something similar or equal to East India kip?—Yes.

TUESDAY, 5TH MARCH, 1895.

(13.) CHARLES ZIELE examined.

307. *The Chairman.*] I believe you are a soap- and candle-manufacturer in Dunedin?—I am the managing director for McLeod Brothers (Limited).

308. How long have the works been in operation?—Since 1883 under the present company.

309. Do you employ many hands?—70 to 100. At present we have 80. The wages average from £6 a week downwards. £2 to £2 10s. are the wages of the ordinary employés.

310. Would you mind stating the annual expenditure in wages?—Last year it was close upon £5,000.

311. You make candles and soap?—They are the chief articles of manufacture, but we make other things.

312. What is the annual output?—Of candles, 50,000 boxes, each of 25lb. weight, representing a money value of £25,000. Of soap our monthly return is 150 tons; the annual value of which is £27,000.

313. What are the other articles you produce?—Oil, glycerine, toilet-soaps, and culinary essences.

314. Does the quality of your candles bear comparison with the best imported?—Yes.

315. Are you speaking of stearine candles?—Yes; but we make paraffin candles also. We competed against foreign makers in the Melbourne Exhibition and obtained the gold medal, and the first award at the Dunedin Exhibition.

316. Against Price and others?—Yes.

317. Do you make many paraffin candles?—Yes, and equal in quality to the imported; the material is imported and is manufactured here into candles.

318. Do you claim to be able to produce as good a soap as can be imported?—Yes. No common soap is imported now.

319. Can you produce scented and toilet soaps as good as can be imported?—Yes; but we have local prejudice to contend against, which, however, is being gradually removed.

320. We assume that you wish to make some representations regarding the bearing of the tariff on your industry?—Yes; but I would first like to mention one or two other matters showing the extent and importance of our industry. Our coal-bill averages £150 monthly: all colonial coal—Westport, Castle Hill, Kaitangata, and Green Island: we are using Castle Hill now. The consumption of timber is about £150 monthly. It is obtained from Southland, and is worked up into boxes by our own workmen. In paper the monthly consumption is about 1½ ton. We use the blue and grey, and divide the trade between the two mills, Mataura and Water of Leith.

321. What is the price?—It is a contract. The next item is sulphuric acid, about £20 a month. We obtain it from the New Zealand Drug Company. We get our labels printed locally by the half-million, and we use thirty pounds' worth a month. The largest item of all is tallow, our consumption of which is over 100 tons a month.

322. What does tallow rule per ton?—At present the average price is about £18 a ton, and the actual consumption is about 80 tons a month; the balance is exported.

323. Now, how does the tariff affect you, and what representations have you to make on that head?—I believe that a request has been made for the removal of the duty on stearine, on account of some local match-factory. To do so would be an injustice to the candle-makers, who produce stearine in large quantities from tallow. We have been supplying the Dunedin match-factory with stearine.

324. Is your stearine as good as the imported?—Yes; we can supply it as good and as cheaply as it can be imported.

325. If the duty were removed, would you still be able to supply it and to compete with the imported?—Certainly not: we should have to shut up our candle-factory.

326. Is the full amount of the duty which is at present charged necessary to your success?—Yes; we labour under so many disadvantages as against the Home manufacturer.

327. What is the next point in connection with candles?—There are the occasional shipments of lightweights sent to the colony—14oz. and 15oz.

328. As reputed pounds?—Yes; they are generally sold by the trade to the consumer as full weight, and a good deal of deception is practised in this way.

329. Have you any proposal to make in connection with this?—If possible, I think they should not be admitted.

330. You suggest that all candles imported should be tested for weight?—Yes.

331. *Mr. Hutchison.*] They are tested, I understand, by the Customs?—They pay according to weight.

332. *Mr. Tanner.*] They pay duty at per pound on packages of reputed pounds weight?—Yes.

333. *The Chairman.*] How could you effect what you desire—viz., to stop the importation of the lightweights?—I do not know how far the Government powers extend.

334. We want your advice as an expert?—I only mentioned the matter incidentally.

335. Do you think it might be done by putting on an increased duty on packages of reputed light weight—containing less than the pound?—That would be one way.

336. *Mr. Mackenzie.*] Soap is not involved at all in your representations?—Not with regard to the tariff. I except fancy soaps.

337. *Mr. Tanner.*] You said you paid close on £5,000 per annum in wages: would that mean something less?—Yes; something over £4,500.

338. You also said that the average number of hands was eighty?—Yes, it is a fair average, including boys.

339. If we reckon fifty weeks in a year, that will give four thousand weeks, and, working that out amongst all hands (you say you pay nearly £5,000), the average weekly wage would be about £1

a week, and something additional. If it is £4,500, it would be £1 2s. 6d. a week. Could you give us the average wages?—I did not go into the matter minutely, and I am speaking very generally and only from memory.

340. Would £1 5s. a week be too high an average?—It would be more than that. I think I must be out in my total. We have twenty boys, whose wages certainly would reduce the average; they run from 6s. a week upwards. That is the minimum wage, and the maximum £6 a week.

341. With regard to the stearine, are you not aware that representations have been made to the Commission for the admission of stearine free?—I have heard so.

342. The plea alleged is that stearine of sufficiently good quality for match-making cannot be procured in the colony?—That is quite wrong. As a matter of fact, we have been making it and supplying the Dunedin factory.

343. Have you supplied any to Bell, Wellington?—No; but I could do so if required.

344. Are colonial-made candles all equal to the 16oz. standard?—Yes.

345. *Mr. Mackenzie.*] In effect, what you wish is to keep things as they are?—Yes.

346. You said you would be obliged to close your factory if stearine were admitted free: do you mean pure stearine or stearine candles?—Either. We might import the stearine ourselves, and mould the candles the same as the paraffin; but that would reduce our hands to one-twentieth. Two or three men could do it all, and all our stearine plant, with the exception of a few moulding-machines, would be useless.

347. What is the value of the stearine you make now?—You could compute that from the value of our candles.

348. Do you mean to say that you make more stearine candles than you do of the ordinary plain candles?—They are all stearine, but of various qualities, except the paraffin.

349. You use all the stearine for your own candles?—Yes, except what we sell for match-making, and small quantities to chemists and others.

350. After the imposition of the extra duty in 1888, did you not make a monopoly of the candle manufacture in New Zealand?—Not at all.

351. How did that duty affect the price to the public?—Not at all. We issued a circular stating that it would not make any difference in our price. Had not the duty been put on we would not have been able to carry on.

352. But you made candles which were sold at 4½d. in 1888?—They were very much inferior to the present.

353. Is it possible to get anything more inferior than we now get?—Yes. There were great quantities of pure tallow candles used then.

354. But there was a stearine candle sold at 4½d. about six years ago?—Yes. We were losing £5,000 a year at it.

355. What is the price of the stearine candle now?—5d. net to the trade.

356. What was the value of candles in 1888?—I cannot say; but all engaged in the trade were losing money then.

357. There are about 2,250,000lb. of candles imported from Home: are they chiefly paraffin?—Yes; but there are some stearine.

358. Then, the twopenny duty on paraffin is not enough to keep them out? You said you turn out as good a paraffin candle as the imported one?—We are making them now without a profit, to compete against the imported.

359. You get about 7d.?—Less than 6¼d.

360. And it costs nearly 7d. to import the others?—They can be imported for less, duty included. Just now it leaves us a very small margin for manufacturing.

361. Is that margin sufficient for you to compete against them?—It is, so long as we are content with that profit.

362. But what puzzles me is that so much can be imported of that quality when you are able to produce an article at less cost than the imported?—That is the stearine.

363. How does the price of your paraffin candles compare with the imported?—It is the same.

364. But you are getting no profit?—No.

365. And still the paraffin is coming in?—Yes.

366. Perhaps it would not be fair to ask how much you pay per ton for the coal?—It is a contract price.

367. Would you be willing to give an opinion as to the relative qualities of the coal you use?—I find Castle Hill equal to the Kaitangata. Westport has more steaming-power than the others, but for our purpose we prefer a slow fire, and slow-burning coal suits us better.

368. Then, for manufacturing purposes the Kaitangata and Castle Hill suit you as well as Westport, and they are a lower price per ton?—Yes.

369. Do you use any Mataura blue-glazed paper?—Mataura supplies us with the blue and Water of Leith with the grey, for inside lining.

370. The manufacturer complained that he was not getting much support?—We have been getting a good deal, and are now getting all, from them, and paying them more than we could lay down the imported for.

371. Is it white-pine that you use for timber?—Yes.

372. Did you ever try kowhai?—No.

373. *Mr. Hutchison.*] I think you have said that candles are a little dearer now than they were?—They have improved in quality correspondingly.

374. But people could buy candles then cheaper; and I suppose they are buying them cheaper now?—I do not think so, unless by pressure of excessive competition.

375. But the impression was that if the duty were increased there would be no increase whatever in the price of the candles to the public; was that not so?—There is practically no increase, if you take into account the improved quality.

376. Do you not think there might be some difference of opinion on that point, and that you who advocate this protective duty are now pointed to as not having carried out precisely the promise made to the public at the time?—I say there is no increase in price.

377. You say the quality is better; but, independent of that fact, people bought candles at 4½d., for which they now pay 5½d. nominally?—I do not think they ever bought them at 4½d. retail. You may say there is a difference of ½d., but there is fully ½d. difference in the quality.

378. That is from your point of view. Is there any other candle-manufacturer in Otago?—There is one in Wellington and one in Auckland, but no others in Otago.

379. Is it the case that you are all together in a syndicate, so that the price shall be kept uniform?—No.

380. There is no arrangement amongst yourselves so that the price shall be the same—that is to say, there is no competition?—There is competition, but we are certainly free to do what we like.

381. But there is no difference in the price at which you each sell at?—I believe the prices are pretty uniform, but there is nothing binding on one another.

382. But it so happens, somehow or another, that the three companies all sell their candles at about the same price?—I believe so.

383. There is nothing of what we understand in business as cutting or underselling one another?—Not that I am aware of.

384. Do your candles look as nice as the imported ones?—Yes.

385. *Mr. McGowan.*] Do you know a candle known in the trade as "Price's National Sperms," and "Young's British Wax," also "Young's Fluted"?—Yes.

386. Do you make a candle equal to any of them?—We do. Those are principally a mixture of stearine and paraffin; what is called composite.

387. Have you had much demand for that kind of candle?—The demand is chiefly for the cheaper kind; but people are beginning to use the better class.

388. Was there not a period when the manufacturers were cutting one another, and not working at a paying-price?—Yes.

389. I think you stated that some factories actually went to war?—They did.

390. Was there not an understanding arrived at about that time that no factory should sell below a certain price?—No.

391. There was no agreement of that kind?—No. We awoke to the necessity of it without any such agreement. It was absolute necessity that induced us. Our factory found this necessity out first, and gradually each of the others awoke to the same necessity.

392. Did you all at one time find out this necessity?—It was not simultaneous.

393. Are you aware whether lightweights are being manufactured in the colony?—Not now; I believe the Wellington company (Kitchen's) tried it once, but they abandoned it. I think they only made a very few boxes. I am speaking of seven years ago.

394. Do you know a foreign candle called the "De Roubaix, Jenar, and Co."?—Yes.

395. Do you make a candle equal to that?—Yes; it is a mining candle, and we supply a great many mines now. They are most particular in the candle they use.

396. And your candle is as good, if not superior, at the same price?—Yes. The quality of the candle is chiefly in the hardness. We are making a candle of 125 degrees melting-point, and that is as hard as any imported candle you can get.

397. You sell by-products to the amount of £5,000 per annum?

398. Then, the by-products pay your wages?—They are about the same amount.

399. *The Chairman:* My attention has been drawn to the fact that in 1888 the importation of paraffin was to the value of £958, while in 1893 it had risen to £5,607. The importation of stearine in 1888 was £1,163, and in 1893 £1 only: how can you account for that?—At the earlier period we made scarcely any paraffin candles.

400. The value of candles imported in 1888 was £19,662, and in 1893 £42,363, notwithstanding the increased duty. Can you explain that?—That is an extraordinary fact.

401. Is it to be assumed that the consumption of candles in the colony has increased by something like 100 per cent.?—It has increased very considerably; our business has increased by 50 per cent., nearly.

402. Is that partly owing to the fact of the improvement in the manufacture of candles, and that a better light can be obtained from them now than formerly?—Yes; there is a large consumption of the colonial-made kinds, and that probably accounts for the larger consumption of imported ones.

403. Is there any preference for paraffin candles over the stearine?—On account of their appearance there is, but they do not give as good a light; but they look better.

404. What is the Home price of the paraffin candles?—4½d. a pound.

405. Then, the 2d. duty is 45 per cent. of the Home cost?—Yes.

406. What is the price at Home of the average quality of candle?—I think there are not so many qualities made at Home. It is only the better quality that is made there. The value of the stearine candle is about 5d.

407. Do you object to your name or evidence being published?—Have I the option of withholding it?

The Chairman: Yes, if you so desire. It has to appear before Parliament by-and-by.

Witness: You do not require my answer now. I will consult with my Board, and let you know.

(14.) Alfred Henry Burton examined.

409. *The Chairman.*] You are a member of the firm of Burton Brothers, Dunedin, photographers?—Yes.

410. How long have you been in business?—Twenty-seven years.

411. Do you employ much labour?—My staff now is about ten. We have employed thirty. The wages vary from 5s. and 6s. a week for boys and girls up to £4 4s. a week for expert labour.

412. We presume you wish to say something as to how the tariff affects your industry?—About eight years ago the tariff was altered. The following articles used by us were placed on the free list: Dry-plates, pyrogallic acid, albumenised paper (whether sensitized or not), and nitrate of silver. But we omitted to ask for the removal of the duty on mounts and bromo-sensitized paper. The latter was then of very little importance, but has now become a very important article of consumption. We now ask for the removal of the duty on these two items.

413. Supposing the free-list contained the words "all sensitized paper," would that cover all the ground?—It would; but "plates, films, paper, or other sensitized substances" would be better.

414. What quantity of bromo paper is used?—It is increasing, as all the enlargements are made of that paper.

415. What would be the value of the amount imported during the year?—A few hundred pounds. We pay 20 per cent. duty.

416. Cannot the mounts be made in the colony?—Nobody will attempt to make them for many years. Our consumption would be about £75 a year; and the duty is 20 per cent.

417. Does the cost of the mount really add very much to the cost of the photograph?—No; but it is a very serious diminution of our profits to have to pay the duty.

418. Would you like to add anything?—I would like to add a word to the suggestion that has been made that an increased duty should be put on photographs brought into the colony to compete with us.

419. What kind do you mean?—Landscape photographs and enlargements made outside the colony. With regard to the former, I feel a little bit sore, as I have been engaged in this class of work for more than twenty years. I have spent thousands of pounds upon it, and at a time when it was very difficult and expensive to get into the scenery of the country. Now English photographers send out their people to compete with us; they take a series of negatives back to the Old Country, make the pictures there, and send them here to compete with us. In this matter my trade interests and convictions clash. I cannot see that a protective policy is a wise one; but if it is to be a protective policy, then surely an industry such as ours may claim to have some of its advantages.

420. Why can they do them cheaper at Home than here?—Labour there is cheaper; they are closer to the places where the raw material is manufactured.

421. And because they have a wider market?—There is something in that also.

Mr. Glasgow: We are giving a great deal of attention to that subject.

422. *The Chairman.*] Regarding enlargements, I presume it affects you in the same way?—Oh, yes; but at present we are handicapped. You have protected us the wrong way. We have to pay duty on the bromo paper, and also fight against the competition from abroad.

423. *Mr. Tanner.*] Would you be in favour of placing an increased amount of duty on enlarged photographs imported into the colony?—Taken by itself, I say certainly not. I am perfectly willing to fight these people; but, if you are going to carry out a protective policy, do not leave us out.

424. Do you know whether it is true that agents from Australian houses are perambulating this colony and soliciting orders for enlarged photographs, and sending them to Sydney to be executed?—I know it is so.

425. Do you object to that process?—I do not like it. I do not object to any competition, provided I am not handicapped.

426. If your raw material is free you are prepared to compete with these people?—Yes.

427. You do not seek that a duty should be placed on these articles?—I do not seek that a special favour should be given to us.

428. That is rather a wide qualification: the ultimate decision may be to treat all people most favourably. Do you want "the most favoured nation" treatment?—I can add nothing to what I said before.

429. *Mr. Mackenzie.*] You want a decent protection on the landscape pictures, do you not?—You are asking me the same question again, and if I answer it I must answer it as before.

430. I think it is only fair to himself that Mr. Burton should give in evidence some particulars in connection with his landscape work. Some views of our remoter wilds alone must have cost Mr. Burton £5 or £10?—I have one series of a particular part of this colony in which every negative has cost me a £5 note.

431. As a matter of fact, your work, at a great cost to yourself, brought our scenery into notice which might otherwise have remained unnoticed?—Many people have been flattering enough to tell me so.

Mr. Mackenzie: I know for a fact it is so. From your heavy work in going into the wild parts of New Zealand you exposed yourself to very great hardship, and were made a Fellow of the R.G.S. in consequence.

Witness: Yes. I will not enlarge upon the fact that three times I have been in imminent peril of death over it.

432. *Mr. Mackenzie.*] Your work is of excellent quality?

Witness: You cannot expect me to say that.

Mr. Mackenzie: I have no hesitation in saying so. I have taken some of Mr. Burton's work Home, and heard that opinion expressed by competent experts.

433. *Mr. Hutchison.*] Do these people from abroad reproduce some of your views and send them back to the colony?—Oh, no; that would be piracy, and we are protected by copyright.

434. Are the mounts composed of pasteboard simply?—It is anything but simply pasteboard.

435. Could they be distinguished by the Customs so that they would not be used for any other purpose?—Quite easily.

Mr. Glasgow: There is no difficulty about that.

436. *Mr. Stevens.*] I understand, Mr. Burton, that by your suggestion the revenue will fall something like £1,500. Can you give us any idea how that could be made up in the event of the Commission recommending that the several items should be allowed in duty-free?—I do not think it is my duty to point out how money is to be raised.

437. *Mr. Glasgow.*] Would it be possible to fix the duty on the enlargements at a fixed rate instead of *ad valorem*?—I do not think so.

438. *The Chairman.*] Do you object to your name or to the nature of your evidence being published?—Not in the slightest degree.

(**15.**) Richard Hudson examined.

439. *The Chairman.*] You are the head of the firm of Hudson and Co.?—I am the proprietor, and trade as Hudson and Co., biscuit-manufacturers, confectionery, cocoa, and chocolate confectionery manufacturers and flour-millers. You need not publish my evidence.

440. How long have you been in business?—Twenty-six years in Otago.

441. Do you employ much labour?—About one hundred hands. The average wages are slightly under £3 a week for tradesmen; they run from 7s. to £3.

442. What is the total weekly wages bill?—About £120 a week. We have men in Auckland, Wanganui, Wellington, and Christchurch. I will send you the actual amount in writing, as I cannot give it from memory. My working-expenses are over £13,000 a year.

443. Can you give us the annual output of manufactured goods?—Last year I think it was nearly £38,000. I started my flourmill during that year, and it was a broken period. This year I expect the output will be £50,000.

444. Generally speaking, do you use any colonial productions in your business?—Of course the flour-mill is entirely colonial. We use imported rice, as we go in for pearl barley and meals. The raw material of chocolate is imported, and that entails a great deal of labour for fancy boxes, &c. Our account for wooden boxes and tins will average £150 a month; some months it is £200. Sugar for confectionery and cocoa-beans are the principal raw materials imported.

445. Do you claim to produce in biscuits an article that will compare with the imported?—Yes, in every way. It is only the higher-priced imported biscuits that are able to compete with us. Our lower-priced ones are sold simply at the price of the duty—2d. per pound. The lower-priced imported biscuits have been driven out of the market. The same remarks apply to confectionery.

446. As regards the cocoa chocolate, that is another branch of your industry, is it not?—Yes; that is where my grievance lies.

447. Are you able to produce any class of goods?—Yes. I brought out the best workmen I could get in Europe, and the latest plant, and we can produce an article equal to, and in many respects superior to, any article imported.

448. Will you tell us if you have a grievance as regards the tariff arrangements?—I have a grievance respecting the tariff on cocoa and chocolate. The price of a pound of Van Houten's cocoa is 2s. 6d., and the duty is only 3d., representing 10 per cent. Now, colonially-manufactured soda crystals are protected to the extent of 90 per cent.; on colonially-manufactured candles the protection is over 50 per cent.; and, in speaking of that, there is at least 20 per cent. better quality in the imported candle. Starch, which is produced in the colony from an imported raw material, is protected to the extent of 80 per cent. Mr. Fry, of Fry and Sons, London, told me that they had not made one penny in the colonies, but had lost money for years on their cocoa and chocolates. Very little more duty would compel them to withdraw, and give me the market. My prices are now lower than the imported.

449. If your price is lower, and your article superior to that imported, why do the public buy the latter in preference to yours?—It is due to prejudice and custom largely.

450. What remedy do you propose?—I want a higher rate of duty; and, I think, an *ad valorem* rate would meet the case better in regard to cocoa and chocolates.

451. Is there such a difference in the values of cocoas and chocolates?—Yes.

452. You ask for an *ad valorem* duty, of how much?—30 or 40 per cent. would give me the market.

453. Supposing that duty were imposed, what would be the price of the local article?—I will undertake to supply all those goods to the people of New Zealand, and to give a guarantee to supply them at not a penny more than the bare landed cost.

454. Now, as regards chocolate confectionery, what do you ask?—That varies very much in price, and I would like the same duty to apply to it—a duty of certainly not less than 30 per cent.

455. Is there any other matter?—No. Our trade is an ever-increasing one, and we can scarcely meet it. I think we can deal with the biscuits without any more duty.

456. Do you import block chocolate?—We make it, and can supply it, but the trade will not buy from us. They import an adulterated article.

457. Is your block chocolate as good as the imported?—Yes; we can make any kind and quality, and can supply it cheaper than the imported.

458. Is it a fact that at one time block chocolate was admitted free?—I could not say for certain, but I do not think it was. I think I got it in free myself before I manufactured.

459. Did not you, as a matter of fact, ask for the imposition of a duty on it?—I do not think so. I was away when the question was discussed. My manager may have done so.

460. Would you mind telling me what price you can sell block chocolate at?—That depends upon the quality of the cocoa-beans. They vary from £4 to £6 10s. per hundredweight. The finest quality, speaking from memory, is 1s. 8d. per pound.

461. Do you know what it costs at Home?—It varies considerably.

462. Is 1s. 1d. a fair value for it?—I should think it was.

463. To which there is 3d. duty and freight charges to be added?—Yes; we get a first-class article for 1s. 6d.

464. Is there not an article used in your business called cocoa-butter made from cocoa-beans?—That is the oil or fat from the cocoa-bean.

465. Do you prepare that?—None is required, as there is no demand for it. I do not suppose we sell 12lb. or 20lb. in a year. Chemists use a little. It is largely used on the Continent for making high-class chocolates. It averages from 1s. to 1s. 3d. per pound.

466. Then, the representation on behalf of your industry comes to this: that the duty at present upon cocoa is not fairly commensurate with the duty on certain other articles that the Government encourage, and you ask that the duty be changed to an *ad valorem* one, and made from 30 to 40 per cent. on cocoas and chocolates, and not less than 30 per cent. on chocolate confectionery? Yes. I also ask that the duty on gum goods should be raised by at least another 1d.; the present duty is 2d. per pound. We make all this class of goods.

467. Do you undertake to produce them equally good in quality to the imported goods?—Certainly.

468. You say the result will be not to increase the cost of these goods to the public?—That, unfortunately, is the general result—to increase the cost to the consumer—but not in my case.

469. You say it would not, but that it would be simply a transfer of the business from the importer to the local manufacturer?—Yes. In the confectionery and biscuit trade the number of people engaged in the colony is so great that it would be impossible to arrange any combination as to price. That is not so in other goods, where the number of persons engaged is so small that they arrange prices, and fleece the public to the fullest extent.

470. Of course, if the increased duties were imposed and the importation stopped the revenue would suffer?—On the other hand, there would be an increased amount of employment and employés—more than double. That is not the only advantage the colony would derive. In the first place, there would be an increase of revenue, for it would take some years to stop the imported goods.

471. What additional amount of employment do you think it would give?—How much chocolate was imported?

Mr. Glasgow: In 1893, £29,000.

Witness: Then, it would increase the number of cocoa and chocolate hands by more than ten times.

472. *The Chairman.*] Are there not other people who make it?—Not in New Zealand. We are the only people who have plant for the production from the cocoa-bean.

473. *Mr. Tanner.*] There is no other importer of cocoa-beans?—I do not think so.

474. Is block chocolate imported to any considerable extent?—I do not know if it is used to any large extent in the colony. We sell some, but I notice that the local people import their own. One or two other firms import it. The facilities for importation are now so great that representatives of Home manufacturers will take orders for from 20lb. upwards.

475. Is there any question of comparative purity between the locally-produced chocolate and the imported?—None whatever; ours is better, if anything. There are reasons why we can produce a purer article than they can at Home.

476. Does that mean that adulteration is practised?—It is not adulteration.

477. Well, enlargement of the product?—It is substituting one article for another. In the Old Country the making of admixtures is becoming almost a science.

478. *Mr. Hutchison.*] You have said that custom and prejudice are against you, Mr. Hudson?—That is so, I think, with every kind of colonial product.

479. Is not what you said a little more than that: that the importers invariably set themselves to disparage native products?—Undoubtedly; I have run my business on the line of ignoring the importer and merchant.

480. And he ignores you?—Yes, there is not much friendship between the manufacturer and importer. We do not care to supply merchants; we sell to their customers.

481. *The Chairman.*] Do you wish to add anything?—With reference to the duty I asked for on gum—I refer to the gum used in confectionery; it is known as gum arabic. Gum dextrine, a product of starch, is used in cheap confectionery, but there is no duty on it. We do not use it, but if any one can manufacture gum arabic here and supply us cheaply we would take it. I think the duty on glucose should be less than it is; on sixteen pounds' worth we paid £12 duty, and I think it is rather heavy. As it is there is not much used; if there were I should be very glad to see it manufactured in the colony. There are two kinds, block and liquid. The latter is used in confectionery, and I would ask that the duty should be made ½d. per pound. The block glucose is used by brewers.

482. *Mr. Mackenzie.*] Do you want the duty on block chocolate to remain as it is?—We wish it to be more, if anything. We can supply it, and it is only the trade prejudice that kills us.

483. They say your quality is not good, and that it is adulterated?—Well, I will send you a sample, and they can send you a sample of the Home chocolate. In the latter there is a quantity of shell used. We have a market for our shell, and do not use it in any kind of manufactured goods.

484. You do not want that 3d. duty taken off?—Certainly not. Block chocolate is a manufactured article. It is simply cocoa-nibs ground, with heat applied to it.

485. Then cocoa-butter is free?—That is immaterial, as there is no quantity used.

486. As a manufacturer, you would not say that it was any anomaly that cocoa-butter should be free of duty while block chocolate should pay duty?—It is an anomaly somewhat, both being products of the cocoa-bean, but block chocolate should contain the butter of the cocoa-bean.

487. *Mr. McGowan.*] Have you tried to make homœopathic cocoa?—We make tons of it.

488. Have you any difficulty in competing with the Home article?—Only the prejudice in favour of the imported.

489. That can be removed?—I cannot afford to pay large sums in advertising; and, besides, the foreign manufacturing houses get better terms from the local newspapers, and have the advantage over me in advertising.

490. Well, you would have the advantage over them if you advertised in their country. Have you ever heard Keiller's dried goods spoken lightly of?—No, they make very good confectionery.

491. Has any instance come to your knowledge of dried goods being adulterated?—Not for many years.

492. I mean Scotch mixtures?—Keiller's goods contain almonds; but we make confectionery in the shape of almonds that does not contain almonds—boiled sugar goods, flavoured with almonds.

493. You seem to admit that goods of this class have been made in the colony as dry goods, while in reality they are not dry goods?—I do not admit it. They are dry goods.

494. *Mr. Stevens.*] You say if you had a sufficient duty placed upon chocolates you would be able to employ ten times the number of hands you now have?—Yes.

495. Such being the case, would not that have the effect of increasing the cost to the consumer?—No. I will give a guarantee, and I think myself that any person asking the Government to protect him in his trade should be in a position to sell as cheap as goods can be imported for.

496. How many factories are there on the same lines of business as yourself in the colony?—I do not think there is any other factory in the colony covering the same ground as I do. There are five people in Dunedin who manufacture biscuits by machinery.

497. Supposing you gave a guarantee to the Government, would there be any guarantee that some other person would not start in the same line of business?—I expect others would start, but the price would be a check.

498. If it were said by other persons that it is impossible to obtain block chocolate in New Zealand equal to the imported article, would that be true or untrue?—Untrue, absolutely.

499. Are the almonds you use grown in the colony?—No; imported.

500. Are the colonial almonds equal to the imported?—Yes; but I have never seen a dozen.

501. What quantity would you use in a year?—I cannot say from memory.

Mr. Glasgow: Barbary almonds to the value of £712 were imported in 1893.

Witness: The whole of those could be produced in the colony, no doubt.

502. *Mr. Stevens.*] You also said you wished gums to be free. You would not expect all this commercial gum to be free [bottle produced]?—No. I referred to the raw material, gum-arabic, and gums that come under that name, used in jujubes and confectionery. These gums cannot be produced in the colony, and to put a duty on them would retard our business considerably.

[P.S.—An *ad valorem* duty of 35 per cent. on all high-class confectionery, biscuits, and cocoa, and chocolate goods would give the New Zealand manufacturers command of the New Zealand market, and afford employment for a much larger number of hands. The present duty is fully 35 per cent. on all low-price goods.—R. H.]

(16.) David Gilmour Stephens examined.

503. *The Chairman.*] What are you, Mr. Stephens?—Inspector of Works for the Harbour Board, Dunedin.

504. For what do you attend?—I attend as a consumer of saccharine to a small extent. I am afflicted with diabetes, and prohibited the use of sugar, but the tariff on saccharine is such as to place it beyond my reach. Upon this small phial [produced] the duty is 5s. Formerly such a quantity would be sold for 2s. 6d.

505. How much would you require to use in the course of a month?—About one of these phials a week; but I cannot purchase it here, and others similarly placed are deprived of it altogether. The chemists do not keep it now, as the duty makes the price prohibitive. The last bottle I had to get from Auckland, and I paid 1s. 9d. for it.

506. *Mr. Tanner.*] And the price is now 7s. 6d. Do you know when the duty was first imposed?

Mr. Glasgow: I think the saccharine tabloids are a new preparation, and it is very likely that at some ports they have been looked on as drugs, and paid duty accordingly. But the Collector, I think at Christchurch, questioned this, and regarded them as saccharine, and liable to a five-shilling duty. The matter was referred to the Commissioner, who decided that tabloids must be charged as saccharine. That was only a few months ago, and would be the time when the price was raised.

507. *Mr. Mackenzie.*] Are there a good many people who are likely to use it?—There are a large number of men similarly afflicted to myself, and it was that which led me to bring the matter under your notice.

508. *The Chairman.*] Do you object to your name or evidence being published?—Not in the slightest.

(17.) Thomas W. Kempthorne examined.

The Chairman: As you attend here, Mr. Kempthorne, in consequence of a memorandum sent to you in reply to your letter of 15th February, 1895, perhaps it would be as well to put your letter in evidence first. [Letter read: see page 106.]

509. *The Chairman.*] I think the better way would be, if you have any additional evidence to offer, to mention it now. There are one or two things in connection with your suggestion that strike one. For example, you might give the Commission some idea of the extent of your industry?—We have chemical works at Auckland and at Burnside. At both these places our manufactures are pretty well identical. They consist of acids—nitric, sulphuric, muriatic, and acetic. We have also an artificial manure works, and side productions. Our output from these works would be

about fifty thousand pounds' worth a year. We employ one hundred hands (sometimes a few more); they work eight hours a day, and receive from 6s. 8d. to 8s. a day; some receive 9s.

510. What would be the amount paid in labour in a year?—Our total wage expenditure for the year for our entire business is about £15,000. In regard to the classification of the Customs tariff, I submit that experts in their own business can give valuable information, which will save a great deal of trouble.

511. The first thing is in regard to acids?—We ask in that respect nothing exceptional, but merely that we shall be put under the same conditions as the other colonial people who compete with us.

512. That the rate of duty should be raised to the amount prevailing in the other colonies?—Yes.

513. You ask that the duty on acids should correspond as nearly as may be to the duties in the Australian Colonies?—Yes, to put us on an equality with those with whom we have to compete. We are now working at a loss in that section of our business, and we have to work on, on account of the peculiar position in which we are placed.

514. That would necessarily involve raising the cost to the consumer?—I do not think so, because, when the thing was equitable, we were content to get 10 per cent.; then we knew what we were about.

515. What I mean is this: If you are now working at a loss, and the tariff were raised so as to prevent other people competing with you at a price which compels that loss, it would naturally follow that you would cease to work at a loss?—Yes. We have never looked for large profits. Our average profits have only reached about 12 per cent.

516. Would it not follow that the price would be raised to a living-price?—Certainly; that is the object.

517. With regard to manufacturing in bond, do you know whether it is a fact that in England persons are allowed to manufacture tinctures in bond for Home consumption or only for export?—I cannot say about Home consumption; I know they export free of duty, which of course means, in competition with us, that they do not pay anything for spirit used in manufacture, if the goods are exported.

518. Do you manufacture for Home consumption?—We do; and I suggest in my letter that if it is thought necessary by the experts of the Customs Department that an excise duty should be placed on articles for home consumption, we would not object to that. As it is, it is merely a question of fairness, of putting the New Zealand manufacturer in a position to compete in the making of pharmaceutical tinctures with those imported, not only from England, but from other parts of the world. These things are shipped in bond from America, Germany, France, and England, in accordance with the respective pharmacopœiæ for medicinal preparations containing alcohol, and I submit that New Zealand manufacturers should be in a position to compete with all.

519. Is it a fact that latterly very considerable quantities (not only here, but in other places) of alcohol have been used in bond for the purpose of manufacturing what is called tincture of larch?—I have been told so, but cannot say so of my own knowledge.

520. You have not been in the habit of doing that sort of thing?—No.

521. Have you heard of very large quantities being used for manufacturing spirits of chloroform?—Not very large quantities. Spirits of chloroform is the principal medicinal agent employed by the medical profession.

522. Would the quantity used run into hundreds of gallons?—Yes, for spirits of chloroform.

523. Then, if you ascertained that some hundreds of gallons of spirits had been used in bond for the purpose of preparing tincture of larch, you would imagine that it was beyond the ordinary consumption of that medicine?—I should say so. We only sell a few pounds of tincture of larch in a year.

524. *Mr. Stevens.*] You suggest that dental instruments and surgical instruments and appliances should be admitted free: for what reason?—Surgical instruments are stated to be free now, but what a surgical instrument is, is open to a great deal of disputation. When we come to pass an entry for a surgical instrument there may be a different rendering of the term on the part of the Customs, who say that it cannot be regarded as a surgical instrument because some other person may be able to use that instrument. That is so, but they are still surgical instruments, and I contend that articles that are listed as surgical instruments by experts, and are so known to the medical profession, should be accepted as such. But the amount of duty involved is so small that it is not worth the time of the Customs going into the question at all; you will find that it is a mere bagatelle, and I say they should be all classified either as free or dutiable. I think they ought to be free, but at the same time if it is decided otherwise by all means make them dutiable rather than have this differentiation in the classification.

525. You mentioned something about the New Zealand Manufacturers' Association: are the head-quarters of that association in Dunedin?—Yes.

526. Does it embrace the whole of the manufacturers of the colony?—No, there are only a few Dunedin manufacturers in it. It consists of Messrs. Hallenstein, Glendining, Burt, Ziele, Mitchell, myself, and one or two others among the largest employers.

527. Do I understand that they have passed any resolution to offer evidence before the Commission?—They would be very pleased to do so as a body, if asked, I believe.

528. I thought in all probability that that would have been the object of any such association?—I think they would be able to do so, either collectively or individually.

529. *Mr. Tanner.*] Has not everybody been asked through the newspapers?—There is a sort of general invitation to come. I should be very pleased to hand an invitation to the members of our association.

530. *Mr. Stevens.*] What amount of duty would you recommend to be placed on imported acids?—I say we should be put on an equality with the other colonies. If the other colonies had

not put on any duties I should not have asked for them, but as they have duties and we have none we are greatly handicapped, and must make a loss all along the line. The freight over from Sydney is as low as 5s. per ton. I have a letter this morning to say that it has been sent at this figure, and I cannot send acid from here to Lyttelton under 10s. per ton.

531. Do you manufacture sheep-dips?—We do.

532. Are the colonial-made dips considered by the farmers equal to the imported dips, such as Little's and Macdonald's?—Quite so. It is a very simple matter to make a corresponding dip to Little's or any dip, but we have never made any arsenical dips, because I have an objection to employing men on them.

533. If it is stated by importers that it is impossible to manufacture dip in New Zealand of a uniform quality on account of the small quantity that is manufactured, what would you reply?—It would be intense nonsense.

534. *The Chairman.*] There is also a dip made in Ashburton—Brookes's; and you have probably seen competitions between the various dips. Is it not the fact that generally the locally-made dips have come out quite as well as the imported dips?—Quite so. I know our own dip was first in Canterbury when we tried it, but it is an article we have not pushed much.

535. Evidence has been tendered in the direction indicated by Mr. Stevens—to the effect that there is no such thing as getting reliable sheep-dip manufactured in the colony?—It is all nonsense.

536. Have you any idea what amount of revenue would be lost if your suggestions as to the admission of certain articles free were carried out—I refer to certain medical herbs and plants?—These plants and herbs are inexpensive, and the duties on them would not be £200 a year.

537. Would it be a great loss to the revenue if refined glycerine came in free?—The importation would be about 35 tons a year, and the value is about £10 a ton.

538. So that there would be no appreciable loss of revenue?—No; it is a small matter, and there is very little in it.

539. You also ask for the admission of artificial teeth free. Do you not think the dentists would object to their coming in free? Cannot they make them here?—No. It is a very small matter. The people require teeth cheap, and they cannot afford to pay much for them.

540. *Mr. Tanner.*] They come in free now?—Yes.

541. *Mr. Mackenzie.*] Your suggestions regarding the free list really apply to chemicals?—Yes.

542. You do not refer to manures and bonedust?—Certainly not; we do not desire to see any duty put upon manures.

543. *The Chairman.*] Is there any other matter you wish to mention, Mr. Kempthorne?—You have not questioned me upon perfumery. I suggest that concentrated perfumery should be allowed in at a lower rate, because all manufacturers in the colony should be on the same footing in the matter of manufactured perfumery as other makers. They simply import the concentrated essence in fat or tallow, and make the perfumery. This article [bottle of "Perfume Acacia," produced] is a perfume made in France and other places. These remarks also explain why I suggest that large bottles used for manufacturing purposes should be admitted at a lower rate.

544. Would the manufacture of perfume locally encourage the growth here of flowers for perfume?—I think so, because immediately these scents were in demand you would have people growing the flowers all over the place in suitable localities. It would encourage their production very much, and without any cost to anybody. There are several people in the colony now growing in a small way. Peppermint and lavender and other things could be grown with a little encouragement, and the climate is particularly adapted for it.

545. *Mr. Glasgow:* I think you are aware that in Victoria spirituous tinctures, medicated spirits, and other spirituous compounds are charged with duty at the spirit rate?—I believe so.

546. But that no spirit is allowed in bond for the manufacture of these things, except for the manufacture of soap?—That is the case.

547. You are also aware that in New South Wales duty is charged on spirituous compounds of that kind in proportion to the spirit they contain?—I am not aware of that. There may be a few omissions, but very few. In Sydney they make tinctures in the B.P. without let or hindrance.

548. For home use?—Without any duty whatever.

549. I am informed on the authority of the Collector of Customs, Sydney, that free spirit is not allowed for the manufacture of any mixture that is charged with the import spirit duty on importation. Were you aware of that?

Witness: How many articles are there of such description? I think you will find that they are very few indeed. There may be spirits of ammonia and nitrate perhaps; all other articles are absolutely free. There is a Tariff Commission now sitting in Victoria, and only this morning I read a paragraph as to Victoria being unable now to manufacture in bond, and shipping to other colonies on account of these bond regulations, and they complain that Sydney has all the facilities.

Mr. Glasgow: I refer to the making of these things in bond for home consumption in the colony.

Witness: I do not know if any duties are imposed.

Mr. Glasgow: I am in a position to say that in Sydney any spirit to be used in making anything which on importation is free is charged 14s. a gallon.

Witness: That is, that there are certain articles which cannot be made in bond in Sydney.

Mr. Glasgow: They can be made for export, but not for home consumption.

Witness: If made for export, then, so far as this colony is concerned, that practically makes them duty-free. I would like to read an extract from the evidence given by Mr. Norton Grimwade before the Tariff Commission in Victoria on this same matter. It is as follows: "Tinctures containing a large percentage of spirit. . . . And, as his firm was not allowed to make them in bond, it was under the necessity of having orders for West Australia sent to Sydney, the manufacture being allowed in bond there, where the orders were executed, and the articles forwarded to

Western Australia." They complain of this very matter, and there is no doubt at all that the same privilege was not granted to Victoria which now exists in Sydney.

550. *Mr. Glasgow.*] Is not the confectionery referred to in your letter of the kind imported by druggists and sold at druggists' shops?—No; medicinal confectionery at per pound.

551. But could it be easily distinguished?—Very clearly.

552. Referring to the tincture question, of course, if we were to adopt the provisions of the other colonies, we would charge a spirit rate on the imported tinctures and medicated spirits?—Is it the case in all the colonies that they charge on tinctures B.P.?

553. That is so in the case of Victoria. In Sydney, as I pointed out, the rate is in proportion to the spirit contained. You would have no objection to that course being followed here?—No; so long as the bond privileges are granted, and the excise duty is fairly apportioned to import rate.

554. *The Chairman.*] Have you any objection to your name being published, or to it being stated that you have appeared here?—Not the least.

(18.) John McPhee examined.

555. *The Chairman.*] You are a pipe-manufacturer in Dunedin?—Yes.

556. Have you been long in the business?—Six years.

557. Do you employ any labour in your establishment?—I have employed one man: it is piecework, and a first-class man could earn from £2 to £2 5s. a week.

558. What pipes do you make?—Clay pipes. I produce samples of my own manufacture, and also samples of the imported. [Samples produced.]

559. Do you find a good market?—I do not find that the merchants encourage the business in the way they should. I have brought a sample of the raw material [produced].

560. Is this local clay?—Yes; from Benbur, near Stirling.

561. Are you able to compete with the imported pipes as regards price?—Yes. My price ranges from 2s. 9d. to 3s. 6d. per gross.

562. Is this as cheap as they can be imported?—Yes. I have it on the authority of Mr. Hogg, of Hogg, Howison, and Nicol, that he could not land stuff at the price.

563. Why do you not command the market?—I have a memorandum here, and also a letter I had written for the House of Representatives, expecting that it would take up this question last year. I will read both:—

"*Memorandum* re *Tobacco-pipes.*

"A duty of 50 per cent. is a very moderate one, for the following reasons: First-class common clay pipes are invoiced at 2s. per gross, or less. This is equal to 1d. per dozen duty. I find that importers will not encourage colonial-made goods, but keep on importing and selling to retailers, knowing that the goods can be obtained from colonial manufacturers. The reply to customers is that they do not keep them, as they cannot sell them, thus leading grocers and tobacconists to think that the pipes are unsaleable, and only order when forced to do so. For example, I could name a firm who have only ordered five cases of colonial goods during two years, but last September, being asked by a Dunedin grocer for twenty-five cases of colonial make, received the usual reply that they did not keep them, but was told that they could be got elsewhere, and then ordered fifty cases, having induced another wholesale house to relieve them of a portion of the remaining twenty-five cases. Other wholesale merchants will only order a case or two at a time when insisted on by their customers. An increase of duty will not raise the price, but keep down the importing, and utilise the material and labour of the colony.

"Sir,— "Eden Street, Dunedin, 11th June, 1894.

"I hereby, as a manufacturer, beg leave to call the attention of the Government and the Legislature to the desirability of making an alteration as regards the tariff in the importation o tobacco clay pipes into the colony of New Zealand. The manufacturers find that the competition is too great, not in respect of price paid for the article, but in respect of the amount of trade, which is very little, on account of the quantity imported. The importers having hold of the market makes it very difficult for manufacturers to compete. What is desired is a duty of 50 per cent., so that we may have a better chance of getting constant work, instead of, as at present and years past, going idle more than half of our time. We get the clay, and all that is necessary for the manufacture of tobacco clay pipes in the colony. Such a duty will not interfere with the present prices as we will not raise them in the event of the tariff being conceded, our main object being to secure the labour in manufacturing, instead of remaining involuntarily unemployed.

"With reference to the proposed increase in the duty of tobacco clay pipes, it will be evident that the cost to consumers will not be increased, for the following reasons: namely, that they will not sell for more than 1d. each, the price now charged, and from the price-list attached it will be seen that there is ample margin for traders' profits. I am prepared to supply at list rate all sorts I am now making, as per show-card, also mounted, and varnished, and coloured if required, to the demand of the trade.

"Have much pleasure in forwarding samples of manufactures from New Zealand clay. Trusting that the Government will take this into consideration and grant the concession on the revision of the tariff. "I have &c.,

"D. Pinkerton, Esq., M.H.R., Dunedin." "John McPhee.

564. *Mr. McGowan.*] Do you know a pipe termed the "T.D." pipe?—Yes.

565. Do you make it?—No.

566. What is the principal pipe you make?—I make three varieties of Ben Nevis; and I will turn out any pipe required. The most popular pipe in Dunedin is the Ben Nevis pipe.

567. Could you turn out the T.D. at the price at which you can buy it here?—No; 3d. per gross more. There is no sale here for it. There is a small sale in Auckland. Mendelssohn and Levinsohn, importers of pipes, wanted to know if I could make the T.D., and I replied yes, if

they gave me an order for a hundred gross. I never got the order; so it shows there is no demand for the T.D.

568. I think your price is not as cheap as the price of the imported?—My prices are cheaper; and I can get invoices to show that 4s. to 4s. 6d. per gross was charged at the time I started business here.

Mr. McGowan: I know for a fact that they are bought cheaper than that.

Witness: It is only since I began to put the goods into the market; and a man told me he has made nothing by selling the goods at the price mentioned.

569. *The Chairman.*] What is the value of your annual output?—You could go upon the amount of goods imported. I have seen fifteen hundred gross landed in Dunedin at once. [Have looked up last six months of 1894, and find five hundred and fifty gross disposed of in that time.]

Mr. Tanner: Two thousand gross, equal to three hundred and forty-five pounds' worth, were imported into the colony in 1893.

570. *The Chairman.*] How many gross do you turn out in a year?—I can do by myself fifteen hundred gross. I had a man, but he left on account of the slackness of trade.

571. And you yourself are not kept fully going?—No.

572. *Mr. McGowan.*] You say that a man working piecework could earn from £2 to £2 5s. a week: what was the time he worked?—Eight hours a day.

573. *The Chairman.*] Do you wish your name published?—No.

WEDNESDAY, 6TH MARCH, 1895.

(19.) CHARLES ZIELE re-examined.

574. *The Chairman.*] I understand, Mr. Ziele, that you desire to make some explanation concerning the evidence you gave on a former occasion?—Yes; I find that I made some mistakes in that evidence. First, with regard to the number of hands employed, I find that I overstated the number. The average number of employés, I find, would be seventy, and the total amount of wages paid over £7,000 per annum. The mistake I made occurred through my omitting amount paid to office and travelling staff. There was another matter I was wrong in. That was with regard to the duty on lightweight candles. I was under the belief that these paid full duty, whereas I find by the tariff they pay at weight.

Mr. Glasgow: If it is a light weight, and has no indication given of the proper weight on the outside package, then it is taken at the reputed weight.

Witness: I find they pay on the actual weight, but I think they should pay on the nominal weight.

Mr. Glasgow: Lightweight candles that have no indication of the weight on the outside package that such candles are light weight pay full weight duty. If the weight is on the outside of the package the consumer sees that he is getting a 14oz. package.

Witness: Then, another matter I might mention. There was some application made to admit candle-making machinery free into New Zealand. That would be manifestly unfair to those engaged in candle-making who have paid duty on machinery. As a matter of fact, I paid duty on some about a month ago. We have had other difficulties to contend with in establishing the industry, and to let others come in and reap the benefit of our past labours, and be relieved in the Customs duties, would be heaping on the injustice.

(20.) Mr. JOHN DOWNIE examined.

575. *The Chairman.*] What are you, Mr. Downie?—A flour-miller.

576. And where do you reside?—In Macandrew Road, South Dunedin.

577. Have you come to talk to us upon the subject of flour-milling?—No. The subject I wish to bring before you is a matter that affects a very large amount of revenue that can be collected; in fact, I believe far more than the beer duty. This portion of wealth has accumulated, and has had no money spent on it. It is the riparian rights of our rivers I refer to. I shall point out to you directly that riparian rights are not taxed under the land- and income-tax. They hinder the mining industry, because we must pay to those owners fronting the rivers a certain amount of compensation, or yearly rate, for the use of water. I find that in making up property papers owners put in no value on these riparian rights. Therefore, if they pay no taxes on them, what right have they got to them? To make it clearer, I would point out a case in Dunedin which occurred the other day. There was a very large piece of property offered on the Leith. I put it down at £6,000. More than two years before the owner of this property offered his riparian rights for £5,000. He did not offer one brick, one stone, a building, or one foot of land with these rights; neither did he deprive himself of the water-frontage. He did not use the water. He offered it to the City Corporation. I made inquiries into these riparian rights, and found he was paying no taxes on account of them. He was asking for these riparian rights fully two-thirds of what he had given for the whole property, and yet he was paying no taxes upon them. If the riparian right owners were taxed in the same way that beer is taxed it would collect a lot of money. The mining industry can step in and say, "You have no right to the water except for your cattle; now I can use the water, and go into a bit of enterprise without having to compensate you." I think the subject is worth the consideration of the Commissioners. If a man has got machinery working on a river it is quite different. It is only these men who are waiting on plunder who are not using the water. I do not make this refer only to Dunedin, but to the whole of New Zealand. You are aware that the rivers are only limited; therefore they are a monopoly. In looking over the maps of New Zealand I find nearly all the river-frontages are taken up, and that nearly all the people buying land are buying it on the rivers, and those in the back are deprived of the water except on the roadsides. I think before we try to bar free-trade, and people sending Home for goods, we

should tax these men who have got a monopoly of our rivers, to the detriment of local industry, and who are waiting on plunder, I may call it.

578. When a valuation is made out for a property for the land-tax, either by the owner or the valuator, does not the valuator include all easements, privileges, &c., as actual values?—No; I may tell you why. I went as a sort of dummy, and I said to a party who had riparian rights, "What would you sell that property for, for cash, supposing you had a cash offer?" "Will you buy it?" he asked. "Well, I believe I can find a purchaser." He said so much. I said, "What about your water rights?" "Well, if miners take it, that will come in handsomely. The property-tax man does not value riparian rights. Oh, no; we value those ourselves." I think, if you forward this to the Government, and show how the mining industry is crippled, and the amount of money that is asked for riparian rights, when they give nothing in return, and yet have all the rights of the water still, a very large amount of revenue can be collected.

579. *Mr. Tanner.*] I understand your contention to be that riparian rights should either be regarded as a tangible form of property, or should be abandoned?—No; not abandoned. There are people who have erected machinery in order to get the benefit of the water, and, of course, they have laid out their capital; but on the Leith alone I can prove several cases where men are holding land for no other purpose, and are receiving small rents from an industry, and yet they do not state in their land- and income-tax papers "My riparian rights I value so much."

580. Do you propose that what are called riparian rights should not exist?—Yes; they should not exist.

581. Or, if they do exist, they should be valued and included in the land-tax returns?—Yes; and those who do not put it in have no right to it, because they have made a false statement.

The Chairman: It is a question of general taxation, which has nothing to do with Customs or tariff, and is therefore outside our functions.

(21.) Robert Wilson examined.

582. *The Chairman.*] What are you, Mr. Wilson?—I represent Messrs. A. and T. Inglis, boot-manufacturers and importers.

583. I presume you have some representations to make to the Commission. Will you be good enough to give them in your own words?—I have made a note or two of the information I would like to give. Having seen the proposals submitted by the New Zealand Boot-manufacturers' Association (of which body our firm is a member) and the Operative Bootmakers' Union, in Christchurch, I beg leave to differ from their views, believing that any further increase in duty will be disastrous to the trade, particularly on the lines they have suggested. When the views of the association and the union, which consisted of a double-barrelled sliding-scale fixed duty, with an *ad valorem* duty added, were circulated amongst their members, it was easy to see that the great bulk of the imports would be practically prohibited. I may state that my opinion is that the duty as they suggest would make the importation of boots and shoes almost prohibitive. It has been urged by some of them that by prohibiting the importation of the lower classes of boots and shoes, the status of the trade would be raised and the position of the workman improved. If that be so, how does it follow that the nailed trade, in which we have the monopoly, is the worst paid, and still shows a downward tendency? There are no nailed boots imported; hence nailed boots should command a high price and high wages to correspond; but the reverse is actually the case. It has also been pointed out that in averaging the many hundreds of dozens of boots and shoes imported during the last seven years the value has fallen from an average of 5s. 3d. per pair to 3s. 11d. Now, instead of this showing that we are flooded with low-class men's and women's boots, it proves exactly the reverse. The imports consist largely of infants' boots and shoes, cheap slippers, and dancing-shoes—articles which are specialities in the trade at Home, and which it would be almost impossible under any conditions to make here. By including those lines, all of which are necessarily low-priced, 3s. 11d. is a somewhat high average. I took two months of our own trade for comparison—viz., April and December. April would mean comparatively expensive boots and shoes for winter wear, and December canvas shoes and cheap lines, and I find the average value exactly 4s. 6d. per pair, or 4s. 9d. and 4s. 3d. respectively. That includes little boots, big boots, and everything, and 3s. 11d. is a high average for our imports to run, counting everything. I have sketched the history of the trade, going back over my own experience of it. If we go back about sixteen years in the history of the boot trade, we find that, when it became practicable and profitable to manufacture the ordinary every-day boots and shoes, the trade in imported goods ceased. The colonial article was far superior and more suited to local requirements, and no one would buy an English strong boot if colonial could be procured. For several years the supply of colonial boots was unequal to the demand. It took retailers years to accumulate an assorted stock; but in time that was accomplished, and the trade found its natural level in sorting up those stocks as the goods were actually sold for consumption. Boot-manufacturers were soon found to be far too numerous. Then came bankruptcies, and firm after firm disappeared, leaving the labour market flooded with young people, who had been trained to the trade, and now found there was no work to be had. Competition is quite keen enough to be healthy now that the weaker ones are weeded out; but the same conditions would tend to repeat themselves were new people tempted to rush into the trade by increased duties. I have a further statement to make, where I have a few figures to guide me. It may just be worth while to take a few figures, in order to find the actual benefit the restriction of imports would have on the wage fund of the trade. The imports of boots and shoes from 1889 to 1893, inclusive, average £135,883 per annum—say, roughly, £140,000. Taking one-half of the amount as likely to be transferred to colonial factories, and allowing a basis of a third the value of the article as wages, we have something like £23,000 added to our wages fund. There are 2,378 people engaged in the boot industry, and, providing they had all the extra work distributed amongst them—and I think they could overtake the lot if they worked full time—they would earn £9 per annum each more than at present. How

many would rush in to share the £9, and what the ultimate condition of the trade would become, is appalling to contemplate, to any one who is conversant with the trade's history in Protectionist Victoria.

584. Then, you object entirely to the reasons stated and the proposals made here and elsewhere to impose a fixed duty in addition to the *ad valorem*, because you think it would cause undue stimulation, and the employés, as the result, would be worse off than they are now? That is what I gather from your statement?—Yes.

585. *Mr. Tanner.*] You say, first of all, that your firm is a member of the Manufacturers' Association?—Yes; and has been since it was started.

586. And you are acquainted with the proposals which have been made in Christchurch, and which, it is claimed, have been sanctioned by the Manufacturers' Association?—I saw some proposals, but I was uncertain whether those proposals were put forward; that is, the sliding-scale fixed duty.

587. Am I to understand, first, that your firm has never sanctioned those proposals?—Yes.

588. And that your firm dissents from those proposals?—Yes; you may rely upon that, because it was referred to me, and I dissented all through.

589. You further go on to say that the nailed trade is a monopoly in the colony—that the importation of nailed boots has been displaced by colonial production?—Yes. I have not seen a sample of an English-nailed boot submitted for many years.

590. I agree you are substantially correct; but you also go on to say—you used these words—"that the employés in the nailed trade should earn good wages, but that the reverse is the case." I am satisfied of the correctness of those words. Am I to conclude that the operatives who make nailed boots are at a disadvantage with those who make light work?—Decidedly so. The operatives making lighter work earn higher wages.

591. And have lighter and more steady employment?—As far as my experience goes, it is about the same. Employment is irregular in almost all branches.

592. My experience is in direct contravention of yours—namely, that the nailed-boot hands not only earn the best wages, but get the most regular employment?—I am prepared to take the "statement" on that, and the prices paid. There was an advance in wages previous to the strike in Auckland, and they were going to work Auckland up to the same level. When that failed there was a rearrangement of wages here, and the men themselves reduced the nailed wages, and left lighter lines as they were. The men were far more cruel to themselves than employers would have been.

593. Can you give us the amount of wages paid for making a first-class pegged watertight, which you will admit to be a heavy-nailed boot?—In 1880, about 2s. 6d., and now it is down to, I think, 2s.

594. Do you mean to say that you pay 2s. for the making and nailing of a first-class watertight?—The foreman has that information. I cannot carry every particular in my head. We pay the wages demanded by the union, and printed on the "statement."

595. Can you tell me what those wages are?—I cannot do so without the "statement." I do not carry in my head all the details.

596. You are positive it is not lower than 2s. a pair?—It is not lower, and it was higher.

597. Is that the highest price paid in your factory for making only the best class of light work?—No. I wish I had brought a copy of the "statement" with me.

598. I do not speak of what is paid per pair, but the average wages a man earns?—I can produce our work-books to show that a man working on nailed boots earns less than a man working on lighter and machine-pegged boots.

599. Do you do a general trade?—Yes.

600. Including both light and heavy class?—Yes; everything except welted work. We have not the plant for that. Only one or two firms in the colony touch it. We have not attempted it.

601. You speak of the fall in the average value of boots imported as being from 5s. 3d. to about 3s. 11d.?—Yes.

602. You state that that includes a large amount of infants' boots, which necessarily reduces the average?—Yes.

603. Are you aware that these figures were made up after excluding all boots imported free?—That means 2's and 3's infants' boots; but I question whether we have ten pounds' worth of duty-free boots in a year, because the sizes are so small that they are practically unsaleable.

604. Are you aware that miners' gum boots are imported free?—Yes.

605. You would hardly call those small or cheap boots?—No; but the trade is not so large as it used to be.

606. Are you aware that the boots which are imported free have really a value running into thousands of pounds? Would you be surprised to find that twelve thousand pounds' worth of duty-free boots were imported in a single year?—That includes gum boots, if those are the figures; that would bring it up to, but would not alter to any great extent, my figures if it were so.

607. Even excluding gum boots, would not some seven or eight thousand pounds' worth of very small boots bought at 1s. 6d. or 2s. very seriously reduce the total number of pairs imported?—I can scarcely think that thousands of pounds' worth of little boots are imported. If I take our proportion, it must be very, very trifling, because all the duty-free goods we get in is a mere nothing.

608. Have you any idea of the quantity of small boots imported by Sargood, Son, and Ewen?—I am aware of what they import: it is only 2's and 3's infants' boots; these are admitted free.

609. How do you account for the fact that in 1889 "free" boots and shoes to the value of £11,931 were imported in a single year: do you feel surprised at finding that so large a proportion of goods have been landed free of duty in one year?—It will make no difference to my contention. Those goods would not be manufactured here whatever duty was upon them.

610. Is it within your knowledge that this class of boots is being made in Christchurch?—Not 2's and 3's boots, to my knowledge; 4's to 6's are manufactured everywhere. I know that perfectly well. I should not care to commence the manufacture of them if they prohibited them to-morrow.

611. Would not the manufacture of these small sizes come in very well so far as concerns by-products?—No; because they are made of very light material in most cases. As a manufacture these by-products are a speciality at Home. We go over all England, and they cannot get by-products, but must get specially-prepared material. We import from one house alone who make nothing larger than girls' 1's.

612. Are there not men in Glasgow who make their living—and others before them for generations past—by picking up scraps for making into light classes, and these men supply the wholesale manufacturers?—I can scarcely think so. If cheaper goods were to be obtained in Glasgow, or if they had any speciality there different to any other part of the United Kingdom, I should have met with it before now. I do not think there is much in that. When it comes to these very cheap goods there are specially-prepared basils, &c. They split them, sometimes twice over, in making them. Machinery has displaced a great deal of that. It might have existed; but I do not think, at the present time, it does exist, because industries have sprung up within the last few years that were not thought of ten years ago. There is, for instance, a slipper manufactory in Manchester. There are huge factories there, as large or larger than the Roslyn mills, manufacturing felt and linoleum slippers and infants' goods. The trade is very much split up and divided. I never buy men's boots from a "women's" house, or "children's" either.

613. Leicester is generally the chief mart for "women's," is it not?—It has a good hold of the women's trade.

614. At what price can women's boots of an ordinary type be produced in Leicester, levanted, elastic sides, say?—I can give you an instance. I bought a set of Home samples at the Home cost, and in looking these over I found inside of them the manufacturer's ordinary cost-list. First of all, the cost per dozen of the uppers. There was a drawing of the boot, the uppers, linings, and so on, the cost of the dozen pairs. Then came the cutting-out and closing. In cutting-out and closing they were a little under what I would estimate here for the same thing. It was an American article they used; but when it got to the end of the upper it was very nearly the same value as our own. Then came the benching, and finishing, and extras, which was a little more than half. The sole-leather was a little more than it is here. With 10 per cent. added it came to about equal to the colonial cost price, with his profit added, and he would put on 7½ per cent.

615. Then, you think the inequality between the two is not very great?—No. We have the great bulk of the boot trade, all that is worth having.

616. It has been claimed that seventy thousand pounds' worth of the imported trade would be annexed by the additional duty: is that so?—I contend against that. I am in contact with manufacturers' agents, and have a knowledge of what comes into the colony.

617. Now, there is one more point. I want you to say whether these words are the result of your best thought: "that the labour market here is flooded with young people who can get no employment in the trade they have been taught"?—It was more so formerly than at present. I speak of six or seven years ago, when the labour market was much fuller than it is now. There are still numbers out of work, but not to the same extent, and the same would follow again if an undue impetus were given to the trade.

618. You state that half a dozen years ago the market was flooded, and that difficulty in finding employment still exists, though in a somewhat modified form?—Yes; the evil is curing itself by the trade running on natural lines.

619. *Mr. Mackenzie.*] We were told that one of the objects of imposing a duty amounting to 80 per cent. on a two-shilling boot was to keep out shoddy and brown-paper boots, and that as much as 48 per cent. on women's 5s. boots was for the same purpose. Are women's boots made at Home and invoiced 5s. largely composed of shoddy and brown paper?—They are. I know one house here, and it is a curious thing to find a mercantile house posing as Protectionist. Every man wants all for himself. We do not buy goods second-hand from the wholesale importer. We import our own; and it seems to me that they, finding that their trade in English boots has left them, are putting on all the pressure they can to prevent other people importing. I may tell you the trade done in these same paper goods is very, very slight; and there is another thing I can assert—that is, that I do not believe we import one hundred pounds' worth of goods per annum that do not come under trade-union rules at Home. Respectable manufacturers do not use paper.

620. The system of gradation proposed by the Manufacturers' Association was—on boots costing 2s., 80 per cent.; on boots costing 5s., 40 per cent.; and on boots costing £1 at Home, 25 per cent. Would the tendency of a duty of that sort have this effect: that to the poorer people who are using cheaper boots it would increase the cost of boots, and that richer men would get Cookhams at a comparatively low price?—Certainly.

621. Therefore handicapping the poor and relieving the rich?—Yes.

622. Are the merchant importers passing from merchant importers to manufacturers and importers now?—There are one or two houses that both import and manufacture.

623. Therefore they will have a different interest in the tariff to that which they had when they were purely merchants?—Yes. These houses years ago virtually commanded the trade in boots; but the tendency of modern times is to squeeze out the middleman, and no retailer can afford to pay a merchant 15 and 17½ per cent. on goods and then get a profit. They have lost the trade. Hence the Protectionist notion to stop other people importing.

624. It has been contended that if these heavy gradations of duty were imposed we should secure seventy thousand pounds' worth of foreign trade—exactly half of the imported trade, which comes to £140,000 now. Is that the case?—I do not think so, and I will tell you why. There are a number of boots and shoes of special brands which come here, and these are used about Wel-

lington, Christchurch, and Auckland, where wealthier people reside than is the case in Dunedin. little increase of duty would not prevent those people getting those boots. We would not make them here. Then, we come to these infants' shoes, cheap slippers, dancing-shoes, and so on. Considering these two items together, I think my estimate of a third in wages divided amongst the present hands is £9 per annum each.

625. You think it would secure £70,000 of imported trade?—It might do so with those duties, and it would mean £23,000 in wages, coming to £9 per head of the present operatives, calculating roughly.

626. I find the quantity of boots imported free to be over 2,000 dozen pairs, and dutiable 56,999 dozens: so that there is a great difference. How many hands do you employ?—I think somewhere about forty. We are not wholesale manufacturers. We manufacture for our own trade.

627. You do a great deal of manufacturing?—Yes, on strictly wholesale lines. We have the reputation of employing our people more regularly than other firms, and they earn better wages. We have no half-time.

628. They are all full-time?—Well, nearly so. About stock-taking time they may be a week off, but we never run with half-time.

629. There has been a recommendation that boots from 0's to 6's, infants', should be admitted free?—I do not see why they should be admitted free. I am not advocating the reducing of the tariff. We make 4's to 6's, and the others are immaterial.

630. As a matter of fact, your opinion, representing the firm you do, would be this: that you are doing what you would call a reasonable, honest trade; that, on the one hand, you are importers importing goods which you think cannot profitably be made here, and, on the other hand, you are manufacturers striving to make as much as possible of what can be made here?—Yes; and every year we are capturing a new line. We find such-and-such an article not worth while to import; we can produce it as well here; and the imports are gradually getting less and the manufacturing side more.

631. You occupy the reverse position to the wholesale boot importer?—Yes.

632. Because your desire would be to increase labour as much as possible by making up the goods in the colony?—Yes; and we manufacture, and import, and distribute at first-hand.

633. Now, about the leathers: I suppose it is closely associated with your business. Would you consider an increase of duties on certain leathers injurious to your trade just now?—It would be.

634. Could you specify any leathers?—The two items that are used the most largely are French calfskins and calf-kid. But the East India kip and American buff are both specialities that cannot be produced here, and there are no skins in the market suitable for producing an article of similar quality. I can easily explain how.

635. There is a leather called buff. Can you get the coloured sheepskins?—We import very few of these.

636. Then, the manufacturers contend they are able to supply you?—Yes.

637. They say this: that there are still a good many people who persist in importing, and if there was a slightly-increased duty imposed they would not increase the prices to you, but would secure the whole of the colonial trade?—They cannot do it. There are few men better experienced than Mr. Farquhar, and he says they cannot do it. "Buff" is a corruption of buffalo; but they are really cowhides. The hides are selected, put through a special process with special machinery for treating it. But manufacturers in England cannot produce that particular kind of leather to come within a long distance of the American leather. How is it possible, therefore, for a man in a small way, with two or three barrels and an odd cowhide, to produce it here? These coloured sheepskins can be produced well enough here.

638. And you would not object to an increase of duty on them from 2d. to 6d.?—No; it is immaterial. The colonial dresser can do that work right enough. He has the material.

639. *Mr. Stevens.*] I understand you to say that the cost of making a first-class nailed boot is from 2s. to 2s. 6d.?—I think so. It runs more than that. About 2s. 10d. is the full cost of making a watertight. The French calf Balmoral nailed boot, also, would be about 3s. 6d., making and finishing.

640. *Mr. Tanner.*] Will you please count up how you make 3s. 6d. for making?—I cannot. If I had known I was going to be asked these questions I would have brought the "statement" with me. The foreman at the factory has it all at his fingers' ends. It is more my business to follow up the total cost of the article. There are so few men now wearing that class of thing to what there were years ago, when the mining population was larger. When I speak of the nailed trade, I mean more particularly boys', girls', and children's strong school-boots. It is very low paid. I was present at a conference of the Dunedin branch of the Manufacturers' Association some years ago when they were revising the list, and the prices of those articles were raised by the manufacturers. At a joint conference after the Auckland strike these are the lines they struck down again, much to my astonishment.

641. *Mr. Stevens.*] You say the cost of making a first-class nailed boot at Home is 2s. to 2s. 6d.?—No; here; I could not say England. All I know is, taking men's watertights, that the English wholesale price and ours are very much together. Our material is cheaper than in England, but our wages higher.

642. What would be the cost of material for a pair of men's first-class watertights?—I suppose about 7s. for a high-legged watertight, 6s. 6d. to 7s. That is information I could have given you if I had had the book with me.

643. Is it possible for the tanners of New Zealand to produce what are called splits?—Yes; they produce them by the ton. We have not used an ounce of that article for many years.

644. I heard you just now make some reference to a kind of leather the tanners could not produce here, because a man in a small way, with two or three barrels and an odd cowhide, could not produce it: has your statement any reference to Hurst's tannery at Wellington, or to a

Dunedin tannery?—Perhaps I put it rather strongly. The industry is a speciality in America, and the American article beats the English and Continental. Therefore, it can scarcely be supposed that any man in the colony can produce an article similar to the American, because he has neither the raw material nor the appliances. In Chicago these hides are specially selected. How many hides of this particular grade would a man be able to select out of the comparative few there are in the New Zealand market?

645. They have got fifty or sixty millions of people in America, and in proportion to population we have more cattle in New Zealand than they have in America?—But we do not kill as many cattle from a leather-dresser's point of view. The principle of selection would be the same here, but the area to select from would not be so large. If they cannot do it in England to the same advantage, is it possible they can do it in New Zealand?

646. *Mr. Tanner.*] Have you not forgotten the bounty put on exported leather under the McKinley tariff?—I cannot speak about that. I always found I had to go back again to the American article after going to England.

647. *Mr. Stevens.*] Are there any hides in this colony that produce leather which can be described as East India kip?—Certainly not. These hides come from small cattle in the East Indies. The animals are small, with a peculiar hump on them. I may explain how it is that trade cannot be done here. When those hides go to England they go to a market, and are distributed amongst people to use them. They are tanned, then sorted again in the leather market. A leather man can select exactly what he requires, and dress them for the market. If a bundle of hides comes here, you would get from fifth to seventh quality; no first quality.

648. Then, with respect to sole-leather, can it be manufactured here equal to imported?—Yes; but the difficulty is there are so few old beasts killed. It is scarce and dear. They do not allow beasts to come to maturity now. They kill them too young to allow them to mature the hide.

649. Can you give an idea as to the quantity of sole-leather imported now?—I am not aware, but it must be very, very trifling. We have got a little once in a way from England, and have been disappointed. It is too expensive to think of importing it.

650. Are we to understand that the American buff is made from the hides of buffaloes?—No; it is cowhide.

651. There are no buffaloes now?—No.

Mr. Stevens: There are millions of water-buffaloes in India.

652. *Mr. Hutchison.*] Have you seen East India kip hides introduced in the colony?—I have, and have used them. Years ago, at the time Coombes's tannery was in Great King Street, I used a parcel of them myself, and great rubbish they were. Mr. Farquhar imports Buenos Ayres hides, but not East India kips.

653. I mean, have you seen them imported direct from India to New Zealand?—No. South American hides were prohibited, but they import those hides still.

654. *Mr. Tanner.*] Are they not often introduced as rough tanned hides?—They may be, but I do not know.

655. They are allowed to land from London, but not direct from India?—Some of the tanners North may have experimented with them, but I am not aware. There is a case where the importer sent the hides to London, and they were afterwards introduced here. They were East India hides.

(22.) Robert Alexander Cleland examined.

656. *The Chairman.*] What are you, Mr. Cleland?—I am a sheep-dip manufacturer, carrying on business in Dunedin.

657. How long have you been carrying on business here?—For two years; we are just beginning the business, as it were.

658. Do you employ much labour?—None just now. There are three of ourselves who work at it. The firm consists of my father, my brother, and myself.

659. I suppose that you have some representations to make to us in connection with the tariff?—Yes; I have written out here what I wish to say, and, if allowable, I will read it to you. I represent here the firm of Robert Cleland and Company, manufacturers of sheep-dip, Dunedin. I advocate an import duty of 25 per cent. on sheep-dip, for the following reasons: (1.) That sheep-dip is a proper article on which to raise revenue, because if a duty should result in an increase of price on imported dips, sheep-owners would not be prejudicially affected, as they can supply themselves with an equally good article made in New Zealand. (2.) That, owing to the prejudice which exists in favour of imported articles, it is extremely difficult to get even a trial of locally-made goods. An import duty on sheep-dip, if it resulted in an increase of price, would benefit New Zealand manufacturers by at once causing users to turn their attention to local makes. (3.) That the New Zealand manufacturers can make all the sheep-dip which is required by the colony, of as good, if not superior, quality to that which is imported, in proof of which I annex copies of testimonials which I have received from well-known and large sheep-growers, testifying to the excellence of the dip made by my firm. (4.) That if a duty is imposed there is no danger of the prices of New-Zealand-made dips being raised, as there is sufficient competition between the different makers to prevent this. (5.) That, if all the dip was made in New Zealand, a considerable amount of labour would be employed, in addition to which a large sum would be spent for printing and other incidental expenses. *Note:* All, or nearly all, the printed matter used in connection with imported dips is done outside the colony. (6.) That sulphur, which is one of the ingredients of our manufacture, is subject to duty. (7.) That there is now an import duty on sheep-dip in Queensland, Tasmania, and Western Australia. The following testimonials speak for themselves:—

Messrs. R. Cleland and Co. Waitepeka, December, 1893.

Dear Sirs,—We used the "Lightning" sheep-dip paste you supplied us with last season, and can certify to the excellence of the article, not only as an efficient dip, but having the advantage of being rapidly mixed in the bath; and the next in consideration is its cheapness.—Yours truly, Somerville Bros.

Messrs. R. Cleland and Co. Hillend Station, 22nd December, 1893.

DEAR SIRS,—We tried the sample of "Lightning" sheep-dip you sent us on some of the worst-infected sheep we had, and examined them frequently during the season, but never could find any vermin on them. We are using no other dip this year for the whole of our flock.—Yours, &c., BEGG BROS.

Messrs. Robert Cleland and Co., Dunedin. Hillend Station, Balclutha, 1st October, 1894.

DEAR SIRS,—We finished dipping our flock of 25,000 sheep on the 15th December, 1893, with your "Lightning" dip, and we are pleased to say that it has given us every satisfaction. The sheep have been examined at the end of nine and a half months, and found to be clean and in good condition. After two years' trial of your dip we have no hesitation in saying that it is the best dip we have tried, whilst its cheapness and easiness of application are additional advantages in its favour.—Yours truly, BEGG BROS.

Messrs. R. Cleland and Co., Dunedin. Dunedin, 5th November, 1894.

DEAR SIRS,—I have purchased large lines of hoggets this season, and note that several lots have been dipped with your "Lightning" dip. I have pleasure in stating that the above sheep are very clean, and the wool is in grand condition. JAMES MATHESON.

Messrs. Robert Cleland and Co., Dunedin. Drum Oak, Wyndham, 17th November, 1894.

DEAR SIRS,—The Cleland's dip has given me entire satisfaction. I found it gave little trouble to mix, was very effective, left the wool in nice condition, killed none of the sheep, and I intend to use it again this year.—Yours truly, JAMES SCOTT.

Mr. Cleland, Dunedin. Burwood Station, 12th December, 1894.

DEAR SIR,—We used your "Lightning" sheep-dip last year, and dipped over 24,000 crossbred sheep with it. We are now shearing, and are very pleased with results. The sheep are very free from ticks and other vermin, and the wool a nice colour. I may state that I used cold water in dipping, and found the dip to dissolve readily. This may be worthy of remark, as it reduces the cost considerably.—Yours truly, JOHN TAIT,
Manager, Messrs. R. Campbell and Sons (Limited).

Messrs. Cleland and Co., Dunedin. Dunedin, 7th January, 1895.

DEAR SIRS,—Your "Lightning" sheep-dip gave much satisfaction. I used it for 4,000 crossbred sheep last season at Willowburn, near Clinton, and the results were quite satisfactory.—Yours faithfully,
ALEX. C. BEGG.

660. *The Chairman.*] Your contention is that you can make as good an article as that which is imported into the colony?—Yes.

661. And you further say that you would not increase the price, and you ask for an import duty of 25 per cent., on the ground that prejudice prevents local sheep-owners from using the local article?—That is what I say.

662. *Mr. Hutchison.*] This is not properly a dip. I understand that it is a substance which is converted into a dip?—It is not a powder dip; it is a paste which, with a certain mixture of water, makes the dip. Ours is not a liquid.

663. *Mr. Stevens.*] Is your dip similar to what used to be known as Hood's sheep-dip?—I never heard of it.

664. The name is now changed. Thomas bought Hood's right?—Ours is not an imitation of any one; it is our own.

665. How much per thousand can sheep be properly dipped for by the use of your dip?—It depends upon what time of year you are dipping.

666. Say a month after shearing?—Less than £1 per thousand. We calculate that two or three months after shearing it costs £1 a thousand.

667. Has your dip ever been submitted to any public competition by any agricultural and pastoral association?—No; there has been no competition since we began to make it.

668. How long has your dip been in the market?—It has been in the market since November, 1893, for that season, and then for this season. It is quite new. It was experimented on the season before 1893.

669. Is it used with hot or cold water?—Cold water entirely. I have put the particulars all here, with the testimonials we have received. The quantity required is thinned down with a few gallons of cold water, either by stirring or pouring the water upon the paste. 1lb. of paste is used to 16 gallons of water. 10lb. make 160 gallons of wash, sufficient for 500 sheep off shears. 1cwt. makes 1,792 gallons of wash, sufficient for 5,500 sheep off shears, or at the rate of 11d. per 100 sheep. The paste is sold at 6s. per 10lb. tin, or £2 10s. per hundredweight in drums.

670. Do you require to import all the ingredients with which you make the dip?—Yes; they are all imported articles, with one exception.

671. And how is your dip made up, in boxes or tins?—In the same kind of drums as other dips are put in.

672. *The Chairman.*] There are persons who have asserted that the objection to colonial dips is that they cannot depend upon an even article—that is to say, that at one time the dip answers admirably, and at another time it is wholly ineffectual. Can you guarantee in your manufacture to produce the same article from time to time?—Certainly. It is only a matter of using proper care.

673. There is no reason why there should be this alleged inequality?—Not so far as our own dip is concerned. I do not know anything about others.

674. *Mr. Stevens.*] Can you give us the rates of duty imposed in other colonies, and the names of the colonies where those duties are imposed?—In one colony it is 10, in another 12½, and in another 15 per cent.

(23.) C. H. STATHAM examined.

675. *The Chairman.*] What is your business, Mr. Statham?—I am a general agent. On behalf of Mr. William Markham, twine-manufacturer, South Dunedin, I wish to ask that white cotton yarn, imported for the purpose of making twine within the colony, be admitted free. Jute, hemp, and Italian yarns in their rough state are all free. Why white cotton yarn for the same purpose is not admitted free I cannot understand. Neither can I understand why cotton yarn for the purpose of making carpets is admitted free and not that which is used for the purpose of making twine. It seems singular that such an anomaly should exist. This is a sample [produced] of the article

which I ask should be admitted free. Why they should admit white cotton yarn for the purpose of making carpets free, and charge a duty on it when it is imported for the purpose of spinning it into twine, I cannot understand.

676. Is it the same article?—It is the same class of article. I am not able to say it is exactly the same thing. It is cotton yarn. There is a great deal of the twine used for all sorts of things—in the grocery business, and in tying up hosiery. The twine is dutiable to the extent of 20 per cent.

677. Do you make binder-twine?—No; only counter-twines. We can make binder-twine, but do not do so.

678. Is there anything else, or any other article, about which you wish to make representations to us?—Nothing in connection with that; but, as I am here, as a drapery expert I will draw your attention to a couple of articles. I have had about twenty years' experience in the drapery business.

679. *Mr. Mackenzie.*] What is that rough yarn produced used for?—It is used for making counter-twine.

680. Do you never use New Zealand flax for making counter-twine?—No; it is too rough.

681. *Mr. Hutchison.*] Would not twine made from jute be an inferior thing?—Yes, it would. I do not think you could make New Zealand flax into counter-twine. You might make it into rough twine, but not into the finer twines. The fibre is too stiff to make it into counter-twine.

682. *Mr. Mackenzie.*] It is too stiff and hard, you think?—I should think it would be. I am not exactly an expert in twine; but I should think, from the very nature of the fibre, it would not pay to dress it sufficiently for the finer twine.

683. And the object of this white cotton material you have produced is to make counter-twine?—Yes. There is one line to which I wish to draw your attention. There is an article called brown linen free, which appears in the list of tailors' trimmings. It was passed by Parliament as free, and to my knowledge has never been taken off the tariff. If you go into a tailor's establishment and ask him for brown linen he will produce a cream holland. I know for a positive fact that a gentleman in the North Island in the tailoring trade imported this as a brown linen and got it in free. It is cream-dressed holland, known as brown linen. Then, as to flannelette: it appears ridiculous that an importer should import fifty pieces flannelettes all one line, and one price, and that a few patterns be picked out and charged with duty, while the rest were admitted free. It appears to me that all these things which are put into the tariff make confusion worse confounded, and do no good in the end. The Government want revenue. Let them clap on 5½ per cent. or 7 per cent. on calicoes. A penny or twopence on the article would not hurt working-men, and would do away with anomalies.

684. You think if it were possible to divide the soft goods into larger classes there would be less confusion?—Yes. After all, the main thing is to treat everybody in the same way—that one man should not get in goods free, and another have to pay different duties upon them. Then, as to the duty on packages, I think when I was last in Victoria they did not charge any duty on packages there. Take a case of flowers, for example. The packing charges are out of all proportion to the value of the goods, yet duty is charged on the package. If you try to sell the case you may get 2s. 6d. for it, and it may have cost you 19s.

685. Does not the seller take into consideration what it costs for freight and charges, and arrive at the net cost of the article in his shop or warehouse, and then put on a profit? Therefore, if the duty were taken off the package and put on to the article itself, would it not amount to the same thing?—Yes; but if the goods were free the duty on the case would not be charged.

686. If a large sum like £9,000 were taken off, as you suggest, you will see that if the Government want to raise the same amount of revenue they would then have to put some higher duty on some other articles to make up for it?—Put it on the free goods. With regard to tweeds, I may state that I have seen colonial tweed, all wool, and manufactured here, sold at 1s. 5d. a yard.

687. Would it only be fit for linings?—It would make boys' suits. That is the manufacturers' price to the wholesale people.

(24.) Joseph Kirby examined.

688. *The Chairman.*] What are you, Mr. Kirby?—I am a tailor and white-shirt maker, carrying on business in Dunedin.

689. How long have you followed the making of white shirts?—Since last November twelvemonth.

690. Do you employ many hands in the making of these goods?—I have been employing four hands besides the dresser.

691. What is the rate of wages you pay? Are they paid by the piece or by the week?—By the week. One receives £1 5s., two 10s., and one (a young girl) 3s. 6d.

692. I suppose you want to say something as to how the tariff affects your industry?—I want to ask you if you could see your way clear to take the duty off linen for fronts and cuffs—the whole of the trimmings, the linen interlining and union. At present there is 20 per cent. duty on them.

693. What difference would it make in your business?—At the present time I am not turning out so much as I might if I could get the duty off.

694. Are you turning out as good an article as that imported?—I have every reason to believe so. In fact, experts have told me my shirts are superior to those imported.

695. If this duty were taken off, do you think you would be able to compete with the imported article on favourable terms?—Yes.

696. Do you think that would largely increase the amount of labour you would employ?—Yes.

697. Would it double it?—I look forward to trebling it.

698. There is a duty on the ready-made shirts, is there not?—There is.

699. You consider your business can be trebled if you could get the articles you require duty-free?—Yes.

700. I suppose there are other shirt-manufacturers in Dunedin besides yourself?—I believe there are one or two women making them, but I cannot say what quantity they are doing; not so many as myself.

701. Are you satisfied with the amount of duty on the manufactured article?—I think so.

702. *Mr. Tanner.*] I understand you do not want the duty raised which is at present imposed on the ready-made shirts?—No, sir.

703. *Mr. Mackenzie.*] The difficulty of taking the duty off linen would be to know what linen would be imported for shirt-making purposes: is there any way of getting at the quantity?—At the present time I have ordered a small parcel from Home direct. There is linen imported through all the warehouses and sold for different purposes.

704. That is the difficulty. You have no suggestion to make for getting over that difficulty?—If any one imported direct they could be placed under a bond not to use it for anything else than in the manufacture of white shirts.

705. *Mr. Hutchison.*] Is 3s. 6d. a week the ordinary wage given to girls?—No, sir; that is a young girl who is learning the button-holes and fastening off the button-holes.

706. Do the other shirt-makers pay at that rate?—I do not know what others do. The girl I refer to is a learner who is getting 3s. 6d. In the course of a few months her wages will be raised.

707. How much?—The next she would get would be 5s. There is one getting 7s. 6d. She started at 2s. 6d. For a month she was getting no wages. I then gave her 2s. 6d. She has been with me twelve months, and is now getting 7s. 6d. In the course of another month I intend to raise her to 10s.

708. You are under the factory regulations, I suppose?—Yes, sir.

709. *Mr. McGowan.*] How long does it take a girl to be worth wages?—I do not believe I kept her above a month. Then I give her 2s. 6d. a week. If I take a girl, I give her wages as soon as I see she is willing to do something. I do not believe in paying them a sweating wage if I can see that they will learn and make themselves useful. I never had one employed by me who has had to ask me to give her a rise, and I have been in Princes Street fourteen years.

710. Have you had any girls who have left the business since you commenced this industry?—Yes, one.

(25.) Edmund Ogden examined.

711. *The Chairman.*] What are you, Mr. Ogden?—I am a felt-hat maker.

712. How long have you been in business?—I have been at the trade for twenty-two years. I am employed as a journeyman here, with Mr. J. C. Ross, of the Denton Hat-factory.

713. Is it a large industry?—Well, the industry is not made yet here.

714. It is only just recently established?—It is not established yet; we are trying to establish it.

715. Well, then, I suppose you can tell us if there are any difficulties in your way, and what they are?—To go into this matter properly I had better start at the foundation, and give my evidence to the best of my ability. In the first place, we here have to advise an increase of duty from 20 per cent. *ad valorem* to a specific duty of £1 per dozen; and in bringing the matter forward we wish to impress upon your minds the fact that for a long time past it has been the opinion in Wellington that this industry is already established. I have here a letter from your Government, if you like to take it as evidence. A patent right was granted to Mr. George Burtenshaw on the 8th of February, 1885, for felt hats made from rabbit-fur and sheeps' wool. At the same time I received that I received a letter from your Government, in reply to a question about a bonus being granted for manufacturing a certain quantity of these hats, stating that the Government had no intention of doing so, as the industry was already established. This is where the technical nature of the industry has to be explained. The hat-making of New Zealand, up to the starting by Mr. J. C. Ross's Denton factory, consisted in making pullovers or belltoppers. These were afterwards covered with pullover felt—that is, dragged over the top of the hat. Owing to the unsightliness and weight of these articles, this trade has died out, and given way to a pure-felt hat of the description produced, made from wool. It is solid, and felt throughout. By going into these particulars I think I shall succeed in removing a misunderstanding that exists with reference to the hat-making business. The fact is that there is no felt-hatting being done in any part of New Zealand, with the exception of what is carried on by Mr. Ross. We are manufacturing hats from the felt-hood stage, made from rabbits' fur, and we are asking you to leave this as it is. So long as these hoods are free there is no fear of any large monopoly coming into the business, for it is possible for three or four journeymen, with three or four hundred pounds in their pockets, to come into the business and sweep out any monopoly so far as big firms are concerned. The article I now produce is a felt hood.

716. Are these hoods made in England?—Yes; we import them in that stage. We find on referring to the Customs Department here that the amount of felt hats and caps imported (they are put under one heading here) was as follows: The quantity is given at 42,000 dozen, valued at £45,000, representing a 20-per-cent. duty of £9,000. That was in 1893. I am drawing your attention to these figures, because to ask for a fixed £1 duty looks like 100 per cent. We wish to lay our case as plainly as possible before the Commission, and get what we can, so as to save any argument afterwards. Now, if you compare the value of those hats imported in 1893 with the hats imported into Victoria during 1891 you will find that the value of hats imported into Victoria in 1891 averages £2 per dozen. In Victoria, in 1891, it was a specific duty of £1 per dozen without other duty. What I am now going to place before you is the invoiced value, or the value put on the invoices, of hats shipped to New Zealand—the declared value at the port they are shipped from. I will quote the figures for 1891 as imported into Melbourne: Hats,

228,543, or 19,000 dozens in round figures, valued at £37,620; or you can take it as 19,000 dozens, at £2 per dozen. We wish to draw your attention to the difference in the value of hats imported to the two places.

717. Do you suggest that the goods imported into New Zealand are unfairly invoiced?—I cannot prove it. I cannot suggest it.

718. Or do we import a lower class of goods?—No, we do not; that is the mystery. The class of hats worn in New Zealand is of good quality. It is possible the value may be brought down by the number of caps amongst them.

719. Does the Victorian importation include caps?—No; felt hats alone. Every article there is enumerated by itself. Now, taking the quantity, it seems to be an anomaly that, with a population of some 700,000, we import only 42,000 dozen of hats and caps. Taking, again, the imports into Victoria in 1882, when Victoria had a population similar to that of New Zealand at the present time, I find that they imported into Victoria during 1882 for home consumption 28,000 dozen. During the same time there were 20,000 dozen made locally in Victoria, which would make the local supply of Victoria during that period 48,000 dozen of felt hats alone. When you compare 48,000 dozen with the 42,000 dozen of hats and caps imported here it seems really an anomaly to a practical person. Of course, there is no doubt that the people in Victoria were more extravagant in 1882 than the people of New Zealand are at the present time. These are figures which we should look to see brought to some issue, in order to ascertain what is the real consumption, and the only method of getting at a correct record is by placing a fixed duty on felt hats, and letting them be imported as felt hats. Now, there is a number of felt hats imported under the head of "General drapery." I have every reason to believe that when drapers import a case of drapery that case may contain soft goods of every description, and felt hats as well. The duty would be collected on the contents of the case. We do not get at the correct account of how many hats are imported to the country. It makes the figures unreliable. In asking you to give us this increase to £1 per dozen we have got again to refer to Victoria, as that is the only colony where there is really any felt-hatting being done. The duty there is £1 16s. per dozen, where we are asking £1. Of course, the Victorian manufacturer has to make his hat straight through. We are asking for £1 a dozen, against £1 16s. in Victoria. South Australia has a tariff of 15s. per dozen. During 1890–91, with a specific duty of £1 per dozen, 35,000 dozen of felt hats were imported into Victoria; and during the same period over £80,000 was circulated in wages there in our industry in the felt-hatting of Melbourne. I am quoting these figures to show that the £1 per dozen which we ask is not a prohibitive duty we are asking for, because it was not until the £1 16s. was levied in Victoria that the local manufacturers got really the bulk of the trade there. I have here a report of the Tariff Commission from the *Age* of the 31st January, 1895. The Tariff Commission there has just finished its inquiry into hats, and, speaking of the hat industry, Mr. D. McRorie, representing the London firm of Christy and Co., hat-manufacturers, is thus reported in the *Age*: "He said that prior to the imposition of the high duties on imported hats his firm did a large business with Victoria in the way of indenting orders for hats to Melbourne firms for sale in Victoria and distribution amongst the other colonies; but since then their trade had been almost 'snuffed out.' He advocated a reduction of the fixed duty, and would prefer to see an *ad valorem* duty of 25 per cent. imposed." This is the statement of one of the biggest hat-manufacturers of England, advocating really a higher rate of duty than we have here at the present time. That is Christy, of London, whose representative was in Victoria with a view of getting the duty reduced. The evidence of Mr. A. W. Cooke, manager of the Australian Hat-mills, Richmond, was to this effect: "Since the tariff was raised the output of his factory had increased considerably, and he contended that if a 25-per-cent. *ad valorem* duty were imposed it would simply close the factory. It must be borne in mind that a local factory had to invest four times as much capital in machinery and plant as an English firm, in addition to which higher wages were paid here. When Manchester or London houses had a surplus stock from the manufacturers they sent it out to the colonies to get rid of it, even if they only got the bare money paid by them for the stock; hence the colony got a lot of hats of inferior quality. Since the duty was increased colonial hats had improved in quality and become cheaper than ever." The same statement applies to us here. With an increased duty we should be able to put the hats more cheaply on the market than we do at the present time, because we would have a secured trade. Of course, trade is now very bad in Melbourne. Taking everything, trade generally is very much depressed there. Yet, in face of this, Mr. E. Shaw, manager of the Denton Hat-mills, informed the Commission "that the total value of the output last year was forty-four thousand pounds' worth of hats, about half of which was material and half labour." The Denton Hat-mills, of Victoria, can be taken to represent one-third of the trade there. Consequently, we find there would be about £60,000 circulated amongst those employed last year in Victoria in the manufacture of felt hats. £22,000 was circulated in wages by the Denton Hat-mills, representing one-third of the trade: that would leave £44,000 to be circulated in wages by the other two-thirds. The Denton Hat-mills is the biggest firm in Victoria, and their balance-sheets are published. We can get at them when we cannot get at others. Altogether, there would be £66,000 circulated in Victoria in wages last year amongst those employed in the hat industry. The bulk of the material used for hat-making in Victoria is imported. Now, if it is possible for Victoria to circulate £66,000 in wages, we claim that it is quite possible for New Zealand to circulate £40,000; and if this can be done, if we can supply the community with an equally good article and for less money, then surely everybody ought to be satisfied. I have got samples of the goods we are turning out at Mr. Ross's Denton mills, and I should like to show them to the Commission. [Several samples produced.]

720. You claim to turn out as good an article as the imported, and at a lower price?—Yes; and our goods of the same quality are retailed cheaper in Dunedin now than the imported articles. Then, if this £1 a dozen were put on imported hats, it would not raise the price all round: it

would raise the price of the imported, while the price of the local article would be reduced; and that would enable us to put them on the market cheaper than we now do, having a secured trade.

721. Do you happen to know Mr. Hulbert, of Christchurch?—Yes.

722. Does he make felt hats?—No.

723. Do Hill and Son, of Wellington?—No; they make only pullovers. These are the only things manufactured in the colony, except what we are doing. This which I hold in my hand is a body, and it is built up of calico, strengthened with gum shellac.

724. Supposing that the imported article is handicapped to such an extent that it cannot compete with the local production, would not there be a temptation to put up the price of the latter?—As soon as ever the duty goes on there will be a factory established in Christchurch, one in Wellington, and one in Auckland.

725. And you are certain the local competition would prevent the prices being raised?—I am certain of it.

726. What are the prices of the samples you produce?—These felt hats range from £1 2s. to £3 12s. per dozen.

727. Could not you make the felt here?—Yes; but to make the felt here the fur would require to be stocked for three years at least. Then, we should require a lot of valuable and expensive machinery to do it. Our trade requires a very large amount of capital. The chance of working-men coming into it is gone. We want these felts imported as they are.

728. The duty in Victoria now is just about double what it is here?—Yes; it is £1 16s. per dozen.

729. Well, then, if a specific duty were imposed at per dozen. you do not want the *ad valorem* as well?—We do not want *ad valorem* as well; it is an inducement to people to commit fraud.

730. *Mr. Tanner.*] I understand you to ask for a duty of £1 per dozen on the manufactured article?—Yes.

731. You would have the felt hoods imported free of duty?—Yes.

732. Do you think it possible to make the felt here?—Yes.

733. Has any attempt been made to make it here?—Yes; Mr. Burtenshaw attempted it in 1885.

734. Did he meet with any success?—No; he went to the wall. It cost too much to make his goods, and he could not compete with the imported.

735. Can you give us any estimate of the time likely to elapse before felting can be successfully made in the colony?—It would take three years to work it to such a pitch as to go straight through with it. Rabbits' fur can only be cut, if clean, at one period of the year suitable for manufacturing hats. Then, after it is prepared and cut from the skin, it has to stand and mature for three years. In fact, it is like wine—it wants age.

736. Do you make it from the fur?—Yes; not from the skin.

737. You have not yet answered my question. You have told me the length of time the stuff should remain to mature before it is used; but how long a time should you think (as an expert) would have to elapse before the industry could be established? Considering the difficulties which have attended the attempts already made to establish the industry some ten years ago, can we look forward during the present generation to manufacturing felt here?—I guarantee that within five years, if the tariff is raised, somebody will be in the field appealing to have a duty levied on the hood as well as the hat.

738. Would not hoods free at the present time act as a deterrent?—Yes.

739. That you have sacrificed in order to get a trade in colonial hats at the present time?—If this article were made in New Zealand the consumer would commence to complain about the stiffening, the colour, and the material.

740. You mean that local custom and prejudice would be invoked against the local-made article?—Yes. That is what killed us in Victoria. We could have carried on in Victoria only for the prejudice. It was only the £1 16s. per dozen duty that gave us a push on.

741. Then, you want £1 16s. per dozen on the felt hats with the idea of giving you the chance of making them in the colony as against the imported article?—Yes.

742. Regarding the quantity used, you appear to entertain some doubt as to whether the figures are truly stated in the returns?—I am doubtful.

743. Is it not a fact that a very large number of cheap cloth caps are imported?—Yes.

744. And would they not give the idea that the importation of hats and caps is greater than it is?—Of course, 45,000 dozen of hats and caps for a population of 700,000 is very low.

745. And a large percentage of that must be struck off as being counted as cloth caps, unless imported as soft goods?—Yes.

746. If you could capture the market, would the present number of work-people and apprentices be able to fulfil the public demand, or would it be necessary to enlist others into the trade?—Those here at the present time would not be sufficient. The trade would exceed the supply of work-people. But, even with the duty of £1 per dozen, the trade will grow gradually, and the employés will grow as fast as the trade will.

747. The trade would expand?—Yes.

748. *Mr. McGowan.*] Is it not a fact that hatwear is, to a certain extent, not so much a matter of clothing as a matter of choice as to cut, pattern, &c.?—If a hat becomes fashionable in England it becomes fashionable here. You have to follow the English fashions.

749. Would the manufacturer of imported pullovers be in a position to compete with the foreign article in the way of fashion, and so forth?—Yes. These hoods are first of all pulled over a block; then they require to be pressed. The blocks are imported from England. If a new hat comes into vogue in England the blocks come out, and iron moulds for hydraulic pressure. We are always ready to follow the English fashion.

750. You have just said that the industry, even under the present duty, is growing, and would grow gradually. Do you not think that would be a safer method than suddenly to more than double the duty that is at present levied upon hats?—I beg your pardon. I did not say it was growing under the present duty. I said the industry would grow gradually; but I did not say it would grow gradually with the existing duty. I said the trade would grow gradually with a £1 per dozen duty.

751. You have asked for a uniform duty at per dozen?—Yes; £1.

752. And your prices vary from £1 4s. to £3?—I have samples of hats here from £1 2s. to £3 12s.

753. Do you not think that would be a great injustice—to compel the poor man to pay the same duty as you place on wealthy men?—If the £1 per dozen duty were put on the poor man would never pay the 1s. 8d. per hat, for he would consume the hat made locally. If a poor man wore an imported hat he would have to pay the additional duty.

754. Do you not make the man who is able only to buy a cheap hat pay the same amount of duty as the rich man?—If he buys an imported hat, we do. We do not want him to pay any duty, but to wear the colonial hat.

755. But will he be able to get it at a cheap price if you stop the importation?—Here is a hat at present sold to the retailer for 1s. 8d. He cannot buy retail for 3s. an article equal to the one produced.

756. *Mr. Stevens.*] You said something about large quantities of hats being imported in cases of drapery?—I did not say so. I said it was quite possible some were coming in that way.

757. Has not the importer to produce to the Customs authorities his invoice, which enumerates the contents of the case?—Yes.

758. Therefore, if hats are in the case, they would be enumerated?—The invoice would be sent out with the hats, and what the case contained would be on his invoice, but the copy of the invoice in the Customs Department would be the value in the case of so much merchandise. I believe that is the custom with regard to mixed goods.

Mr. Glasgow: The detailed invoice is produced, showing the contents. As hats are the same rate of duty as drapery, it is difficult to get merchants to analyse their invoices, and to describe drapery and hats. They like to save this trouble. Still, I may tell you, a great deal of care is taken to insure that the entries are properly described.

759. *Mr. Stevens.*] Are you aware if there was a hat-factory in Auckland about twenty years ago?—There has never been a felt-hat factory in New Zealand.

760. There was, however, a hat-factory there some twenty years ago, and I am under the impression that it does not now exist: do you suppose the fact of its having gone out of existence is on account of the insufficient duty on imported hats?—Yes; not being able to compete with them. That is what "cooked" Mr. Burtenshaw. Those hats [produced] are sent from the factory to the retail shopkeeper at from £1 to £3 12s. per dozen, or 1s. 8d. to 6s. each.

761. Are these hats all of the same quality?—They are of various qualities. You will see them marked in the inside.

762. If they are all made of rabbits' fur, how do you account for the difference in the price?—Some are made from wool; some from a preparation of wool and fur mixed; others from different qualities of furs; some from mixtures which bring about a better quality, and consequently are all sold at a higher price.

763. *Mr. Tanner.*] What has been the effect of the 20-per-cent. *ad valorem* duty on your trade?—It has been a revenue-raising duty; nothing else.

764. Has it not given a stimulus to your trade locally?—There has been no trade in our business until January last year, when Mr. Ross started his place as a speculation. Of course, he finds now it will be a success if he can get an increase in the tariff.

765. Are the hat-bands, linings, and trimmings free or dutiable?—Our materials are all duty-free.

766. You prefer to have them remain free?—It would not pay a firm in this colony to start to make hat-bands. The consumption here would not be sufficient to keep one loom going twenty weeks out of the fifty-two.

767. You learnt your trade in Lancashire, did you not?—Yes.

768. At Oldham?—No; at Hyde, seven miles from Oldham.

769. *Mr. Glasgow.*] Not long ago an article was sent to the Commissioner of Customs something like this hat, but softer. In fact, it was a soft hat in the rough, and the Government was asked to admit it free as hatters' materials. Was it sent up by you?—I do not think so. Our firm sent up, but the reply we got was to the effect that the industry was thought to be too far advanced.

770. I find that the average value of the importation is £1 1s. per dozen?—Yes.

771. So that the duty you propose will practically be 100 per cent.?—According to Customs returns. Yes.

772. *Mr. Tanner.*] Do you think your employer and the hat-manufacturers generally would take advantage of the increased duty to immediately double their local prices?—They could not double them.

773. Could they give the public an assurance that their prices would not be raised?—Of course, I cannot speak for the employers; but an employer would cut his own throat if he did, because if he raises his prices and brings them to the same level as the imported article people will have the imported article.

774. Then, you do not look upon the proposed duty as a prohibitive one?—Not in the least. It is, in fact, a long way short of being prohibitory. In fact, it is not prohibitory in Melbourne, with a duty of £1 16s. per dozen.

(26.) Thomas Wall examined.

775. *The Chairman.*] What are you, Mr. Wall?—A felt-hat maker.

776. And you are in the same employ as the last witness?—Yes; with Mr. J. C. Ross.

777. Do you corroborate what has been said by the previous witness?—Yes; everything he said. I might say that I served my time in Dunedin with Mr. George Burtenshaw, and I was working with him in 1885, at the time he got the patent. The duty at that time was the same as now, 20 per cent. *ad valorem*. He got the patent; but, the duty not being sufficient, he could do no good. The importers could do what they liked with him, and he could not compete. I had to go away from Dunedin. There was nothing to do here.

778. What is the wage earned by men in your trade?—£3 a week upwards.

779. Can you give us an idea of the amount of labour that would be required to turn out this quantity of hats? Can you tell us how many hats one workman could make in the course of a day, week, or month?—Taking a factory doing 250 dozen per week, you would employ 150 hands, including journeymen, boys, &c.

780. What would be about the fair average price of a hat?—The manufacturer's price would average £2 per dozen. The forty-shilling hat is an average hat. The trade of New Zealand would find employment all the year round for six hundred people.

781. How many hands are employed at Mr. Ross's factory?—There are twelve of us employed at Mr. Ross's place.

782. *Mr. Tanner.*] I have seen them in Christchurch making hats with calico?—Yes; that is in vogue there.

783. Do you come here with the consent of your employer, and do you represent his views?—We believe the Commission had a note from Mr. Ross this morning. It was not with his consent at the commencement. A meeting of our society was held, and it decided to advocate an increase of duty. The view taken was this: that Mr. Ross might do sufficient for himself with the duty as it is; but with only one factory here we have to leave New Zealand to get a living, and the journeymen hatters like the climate better than Victoria.

784. Have you worked at your trade in Victoria?—Yes; I have been there ten or twelve years. At the finish of my apprenticeship there was nothing for me to do in Dunedin, and I had to go to Victoria and New South Wales. I could not possibly get anything to do in New Zealand until last year. That was close upon nine years from the time Mr. Burtenshaw gave it up.

(27.) Joseph Wood examined.

785. *The Chairman.*] Do you corroborate the statements made by the two previous witnesses?—Yes.

786. Are you in the same employ?—Yes.

787. And you are of the same opinion as they are?—Yes.

Mr. Ogden: If the importers grasp the idea of what we are contending for they admit we are justified in doing so. The present state of things has a tendency to flood the markets; and if we do not get what we are contending for our trade will be "cooked" for a long time to come.

788. *Mr. Stevens.*] You use a large quantity of paper for tying up hats?—Yes, and everything we can get for our use, of New Zealand make. We have tried to get stamps made in New Zealand. We get them from Melbourne, but we expect daily that the *Star* will supply us. The boxes we get are made here, and it is better for everybody that we should obtain them here.

(28.) Robert Fergus Smith examined.

789. *The Chairman.*] What are you, Mr. Smith?—I am a painter and importer of oils and colours.

790. How long have you been in business?—Twenty-two years in Dunedin.

791. Will you kindly state the object with which you have interviewed us, and the matters you want to bring under our notice?—Yes. In the first place, I would point out that the duty on paint at present is 2s. per hundredweight. Paint is composed of dry colour and linseed-oil. The duty on linseed-oil is 6d. per gallon. In 1cwt. of coloured paint ground that is of a light gravity there are 5 gallons of oil. So that the duty on that is 2s. 6d. Well, I am handicapped there as a manufacturer. Now, the duty on mixed paints is 4s. per hundredweight. In 1cwt. of coloured paints there are 8 to 9 gallons of oil. The quantity is not fixed. It depends on the colour. So that I have to pay sometimes 4s. 6d. for the oil I use. Then, in importing the paints the tins come in free. The importer pays 4s. per hundredweight on the paint and the tins are not dutiable. In 1cwt. of mixed paint the tins cost 9s. 4d., or one-third of the value in the colony. In England they cost 4s. 8d. There is a duty of 25 per cent. on them here, and therefore I am handicapped in every way instead of being assisted. I have to pay 25 per cent. duty on the tins I import. So that I am placed on an unfair footing altogether, and I want to rectify it in some way, if possible.

792. And what are your suggestions under that head?—Well, I certainly should have everything free, and the duty taken off, rather than as it is now.

793. But supposing that view were not taken by others?—Then, considering the tinsmiths are so well protected, I should want a duty on paint in oil of 4s. instead of 2s. per hundredweight, and a duty on paints ready mixed of 6s. per hundredweight instead of 4s., or 2s. per hundredweight extra.

794. Are there any other items you desire to direct our attention to?—I can point out articles which could bear a duty very well. I wish to point out that on all the machinery I imported for paint-grinding I have had to pay either 20 or 25 per cent. All Hessian canvas should bear a duty of 15 per cent., as formerly.

795. Why? On what principle? It cannot be made here; can it?—No. There was a duty on it at one time, and I think the duty was taken off because it was supposed to be used for tailors' trimmings.

Mr. Glasgow: Making bags.

Witness: They never make bags with it. It is generally used for lining the walls of houses. Some people call it scrim. Scrim is used in the North and Hessian in the South. Hessian is stronger. Artists' colours now are free, too. I think all artists' materials should bear a duty, without exception.

796. *The Chairman.*] Why? Do you prepare them here?—No; but there are some of them which could be. If we import artists' colours in a tin box, the tin box, which is the most valuable part of the whole thing, comes in free. If I import tin in pieces for my paint-tins I have to pay 25 per cent., and if I import artists' colours in a valuable box, which is perhaps half of the entire cost, it comes in free.

797. But the *ad valorem* duty would reach the packages?—No; there is no duty on them now. There was a duty at one time, but it was taken off. The package cannot be manufactured here. It would not pay to make it here. Painters' brushware should pay a duty. You have to pay duty on a broom and a whitewash brush, but not on painters' brushware. A painter could import brushware to come in free, which probably the ironmonger could not do, because he has to say what it was to be used for; so I think all painters' brushware should bear a duty. Another thing I have forgotten is enamelled paints. The duty on enamelled paints is 1s. 6d. per gallon, the same as varnish. The evil I complain of in the paints is the same in regard to enamelled paints. We are not protected in any way, and we can prepare enamelled paints. The packages come in free when they contain enamel; if empty they are dutiable to 25 per cent.

798. What would be a fair rate of duty?—Just double; about 3s. a gallon, or 1s. 6d. additional. Then, there are stains, liquid or dry. They could bear a duty of 20 per cent. There are three or four stains admitted free, and the others have to pay duty. Why should Judson's and Mander's be admitted free?

Mr. Glasgow: I think Judson's are classed as druggists' sundries. Mander's are free because they are used by painters, and are not fairly druggists' sundries.

Witness: All sorts of stains are used by painters; and why should one class of stains be admitted free and others pay duty? The dry stains could bear a duty of so much, and the liquid stains so much, a gallon. There is also gold paint. There has been some bother about that article. By a late decision it now bears a duty of 1s. 6d. a gallon, as varnish. It is not in the tariff, but there has been a decision about the matter. The bottles go different sizes. The size we import goes 336 bottles to the gallon. So that it does not come to ¾d. a dozen. I think that could bear a good duty very well.

Mr. Glasgow: Do you wish it to be made 3s. a gallon, the same as enamelled paint?—I have no objection to its coming in free; but if it is dutiable at all it should bear an *ad valorem* duty.

799. *The Chairman.*] Then, these various requests are inspired by a desire to get yourself, as a local manufacturer, placed on a fair footing with the Home manufacturer?—Yes, as far as paints are concerned. The other suggestions are just to clear up things that have been unsatisfactory in passing entries. Sometimes we get them in free and sometimes not. Gold paint I have got in free repeatedly.

800. *Mr. Glasgow.*] As what?—As gold paint.

801. But there is no heading for gold paint?—A late decision makes it dutiable.

802. But it is a varnish?—No.

803. *Mr. Tanner.*] Can you tell us what the difference is between a stain and a dye? How would the dyes used in cloth-factories get on if you put a duty on dyes?—There would be a difficulty in that. Stains and dyes should be the same. Most stains are made from dyes.

804. *The Chairman.*] Would it be possible to put a duty on the stains without bringing the dyes under it? That would handicap the woollen industry, would it not?—It might; but I do not see why two or three makers' names should be free in the tariff and others not. It is not right.

(29.) Francis Joseph Sullivan examined.

805. *The Chairman.*] What are you, Mr. Sullivan?—I am a fish salesman in Dunedin.

806. Have you been long in the business?—Eight years.

807. I suppose you want to make certain representations to us in connection with the tariff: will you kindly state them in your own words?—It is principally in regard to cotton nets that I have come here. We have to import these cotton nets, and are at present paying a duty on them equal to 25 per cent. I cannot see that these nets can be manufactured in the country; they are not likely to be made here.

808. Of course, they are necessary to your industry?—We cannot do without them.

809. And I suppose you ask that they should be admitted free?—That is so, the same as in Victoria, which is supposed to be the home of Protection. The reason I say they are not likely to be made here is that the machinery required is very expensive, and the demand in New Zealand is so small as not to justify any person going into it. The same thing applies to the cotton of which the nets are made. I also ask that the cotton-twine for mending nets should be admitted free. We now pay 20 per cent., and the charges make it equal to 25. The lines, twines, and rope are, of course, made here, and we hardly see that the duty on these should be taken off; we are quite agreeable it should be kept on those articles. Then, I go on, further, to the coir rope imported from Calcutta. The coir itself is admitted free, but the manufactured rope pays 20 per cent.

810. Do they not make coir rope here?—Yes; but we never use it.

811. Why?—Because it is such an inferior article, it is useless.

812. What is your request in connection with it?—That the duty be removed. I am not pleading altogether for myself, but for the fishermen, who are a hard-working set of men, and £1 always makes a great deal of difference to them. If he has now £4 to spend it would represent £5 without the duty; and if it is 4 yards of net he required he could get 5 yards.

813. How many men are employed in the fishing industry?—We have fully 150 men employed, including Port Chalmers. There is another thing I should like to mention. At present we are charged 25 per cent. upon the importation of Australian ducks. The Acclimatisation Society here have only one month during which we can deal in game, and they charge a £5 license for that one month. The consequence is we cannot deal in local game, when we have only a month to do it in, and pay a £5 license for the privilege. Now, these Australian birds could be brought over, and would serve the demand. So the people in the town, instead of having to go poaching and getting ducks in a sly sort of way, could be supplied from Australia. They charged me 20 per cent. duty on these, and charges besides.

814. You ask that Australian ducks should be admitted free?—Yes. That will really help to conserve our own birds. And mutton-birds are another thing we could import. We are also charged 20 per cent. on these; they come under the head of "Preserved provisions." I have imported some of both already.

815. Is there a demand for mutton-birds in this country?—You would be surprised at the enormous quantity of them which is consumed. The Government has legislated in the direction of setting aside mutton-bird islands for the use of the Natives in this colony. The Natives may possibly exterminate them. Therefore, I say, if we can get them from outside the colony let us get them in. I have imported them.

816. I am surprised to hear that they are eaten by Europeans?—Amongst the old identities some of the best men we have in this city are great consumers of mutton-birds. There is a considerable demand for them. I sold over 20,000 mutton-birds last year. If the duty were taken off these I would import some, with the intention of letting our own live. We import them from Bass Strait. Good cod-liver oil can be made and has been made here, and it is better even than the imported article, because it is free from adulteration.

817. What do you propose in regard to that?—To put a duty on it.

818. That is putting a duty on sick people, is it not?—We are quite agreeable to pay a duty on twines and lines made here. We can make, and do make, a first-class cod-liver oil. We have a number of very suitable fish for it, and the industry has gone on, but cannot compete with the Home-country. The same thing refers to all coarse-fish oils, which are largely used in New Zealand. So we think it only reasonable that a duty should be imposed on imported oil.

819. What amount of duty do you think should be imposed on cod-liver oil?—I hardly know what to say.

820. What is your own make worth per gallon?—Ten shillings per gallon for medicinal oil. The Norway oil is imported for 7s. or 8s. a gallon. A duty of about 2s. a gallon would equalise the matter. I think that is all I have to say to the Commission.

821. *Mr. Tanner.*] What kind of nets are these you speak of which are made from the thin cotton twine you describe? What are they used for?—For catching mullet and other fish.

822. Do not the fishermen know how to make them?—Certainly they do.

823. Do they never make them?—Very seldom.

824. They can make them?—Yes.

825. They can fill up their leisure time making them if they choose?—Yes.

825A. Is it within your own knowledge that the fishermen on Lake Ellesmere make their own nets?—I do not know that they do. I know that nets have been imported for them. We are all white men, Britons, down here; but up there they are Italians, and we reckon our labour worth more than theirs.

826. I do not know what you mean by "white men," but I only met one Italian at Lake Ellesmere, and he treated us in a manner different to all the "white men," as you term yourselves, because he prepared a capital fish-dinner for us?—We here may be an educated lot, and instead of starting to make nets, and wasting our time at it, we spend it more profitably. There is so very little margin.

827. You mean that you can put your time to better advantage?—Certainly, if only reading books on geography.

828. That might be very profitable too. You speak of finding a considerable demand for mutton-birds, and of having sold 20,000 last year: do you give us to understand that those birds came from beyond the limits of the colony?—No, I do not. The greater part of them from the islands south of Stewart Island.

829. In that case you would pay no duty on them?—No.

830. What proportion came from beyond the limits of the colony?—A very small proportion, because until I went round Australia I was not aware I could get them.

831. *Mr. Stevens.*] I understood you to say that ducks could only be obtained during one month in the year?—We are only allowed to deal in them one month in the year here.

832. Does that obtain throughout New Zealand?—No. Every acclimatisation society makes its own rules and laws. We are very harshly treated here.

833. In my district the season lasts from the 21st of April to the end of June—three months?—Well, in that case, a man can take out a license and pay a fee of £5, if he has three months to pay it in. But £5 for one month, with the population we have here to deal with, is outrageous. They say the reason is that their ducks here are getting scarcer. I say to this: "We will see what we can do on 'the other side.'" I bought some there, and the very first thing I found was that I had to pay 20 per cent. duty. I say to them, "You do not want us to sell your ducks, because, you say, they are getting scarcer, and that is the reason you put on this enormous license-fee. But

when I come forward and import them from a foreign country, where they do not want them, I am charged 20 per cent. duty."

834. How many ducks do you think have been imported last year?—Very few. There has been little importation, because your 20 per cent. duty stops it. We have got to freeze them over there. I am doing a very large business with "the other side" in sending frozen fish there.

835. *Mr. Tanner.*] Does your fish go direct from Dunedin, or from Invercargill?—All along the line. We start at the Bluff, then Dunedin, and then north. We are doing nothing with Lake Ellesmere. We do not want their fish. From Lyttelton we go to Wellington, where we get a good bit of fish; then at Napier and Auckland, until the boats go away full. The same freight has to be paid whether there is only one case on board or the chamber is full. The Union Company have the monopoly over that. We send a quantity of fish to Sydney—as much as goes to Melbourne. I and a few others in New Zealand opened up this Sydney and Melbourne trade with the Union Company's boats. After we showed them there what we could do, others came over and said to the Union Company, "We guarantee to fill your chamber every time, or pay freight." The Union Company said, "All right; pay us freight whether the chamber is full or not." That gave "the other side" people a monopoly. After that full freight had to be paid. From the Bluff to Melbourne takes considerably less time than from here to Sydney *viâ* Auckland; and the Union Company were charging 1d. per pound to carry the fish in their freezing-chambers to Melbourne, so we started these boxes on deck as ordinary cargo, and got over the 1d.-a-pound difficulty. We do a little in the winter time with Sydney *viâ* Cook Strait in these boxes.

836. Can you give us any idea of the amount of fish exported in a week or a month from Dunedin only?—I could give you the exact quantity to a package, but not offhand. I can add it to my evidence when I get it. These figures would be of very little use: they would only show what we have done under unfavourable conditions.

837. This Commission had no idea of the magnitude of the trade until it went to Invercargill?—Our legislators seem to know nothing about the subject when they are legislating in connection with it.

838. *Mr. Mackenzie.*] Well, Mr. Solomon, I never heard of your name before in connection with this industry?—My name is not Solomon; it is Sullivan, and I am an Irishman. I have been in business for eight years, and I thought everybody in New Zealand knew my name—Sullivan. My cases are going all over the colony, more or less, all the year round.

839. Struck out.

THURSDAY, 7TH MARCH, 1895.

(30) DEPUTATION of DUNEDIN FRUIT IMPORTERS (CHARLES THOMAS PATERSON; JAMES JOHN PRYOR; JOHN HOPCRAFT, representing Walter Bull).

840. *The Chairman.*] Which of you gentlemen will act as spokesman?—Mr. Paterson.

841. We understand you attend here as a deputation on behalf of the fruit importers, Mr. Paterson?—Yes.

842. I suppose you have some representations to make in connection with the fruit business?—Yes. We find that the duty at present imposed on fruit presses very hardly on the importers. The rate being charged at per pound is also inconvenient, as it causes a great delay in getting delivery of fruit, as the importers have to attend at the sheds, and have parcels of every line weighed. In some instances the cases have to be stripped, and this also causes delay.

843. What do you mean by stripped?—Turning the cases out and getting the tare of the cases. We also ask the Commission to consider the advisability of reducing the duty to 1s. per bushel-case of 40lb. In the other colonies the duty is charged at per case. The present duty is 1s. 8d. to 1s. 9d. per 40lb. case.

Mr. Pryor: I fully coincide with what Mr. Paterson has said. The amount of duty received on fruit for 1893 was £5,893 2s. 1d., of which Dunedin contributed £1,879 7s. 6d.; for 1894 Dunedin paid £2,218 17s. 8d. That is a considerable revenue to the Government, and I think any loss incurred through the lowering of the duty would be made up by the increased amount imported.

844. *The Chairman.*] Supposing your proposal were agreed to, and the duty were reduced to 1s., would that make any appreciable difference as regards the price of fruit?—It would make only a trifling difference, because fruit is sold as low as it can be now.

845. If the alteration were such as to reduce the price of fruit, say, by only a farthing, is it not obvious that, as we do not deal in farthings in this country, that amount would go into the pocket of the fruit-seller?—We do not look at small quantities, but deal only in large quantities.

846. But if this reduction were made, is it likely that the fruit would really reach the consumer cheaper than it does now?—No doubt it would, because we might get it slightly lower in price.

Mr. Hopcraft: The bushel-cases that come in do not always come in in good order, and that fact would make a difference in making up the price.

Mr. Pryor: We shall always have to import fruit for the reason it is earlier in Australia than here. With the freight and loss on the voyage, the loss on imported fruit is quite 25 per cent., but as soon as we have sufficient fruit here we will stop the imported quite.

847. *The Chairman.*] How many years' experience have you had in the fruit business, Mr. Pryor?—About thirty years in Dunedin.

848. You use the argument that by-and-by, on account of the extension of the fruit-growing industry in the colony, we may be able to cut out the Australian producers in our own local market?—I believe we shall stop them.

849. Would not the question of seasons still remain?—Yes, but that will not interfere with the produce grown here. It is no use importing apples, for instance, now, because the market is sup-

plied locally. The crop has not been a good one this season, and we shall require to import other fruits; the season has been a bad one for apricots and peaches.

Mr. Paterson: I may say that Mr. Pryor is a grower himself, and is extending his plantations.

Mr. Hopcraft: The present duty on imported fruit amounts to about ¾d. per pound, including loss; at an *ad valorem* rate, that is equal to 35 per cent. of the prime cost, which is the heaviest duty imposed on any goods with the exception of that on tobacco.

Mr. Glasgow.] You have not to pay duty on decayed fruit?—Yes, we have, unless we pick it over in the shed, and if you have only a few pounds it is not worth the trouble.

850. *The Chairman.*] Have you anything to add, Mr. Hopcraft?—Besides the question raised by Mr. Pryor as to the loss of revenue, I may say that the present system is creating a monopoly for the growers, without giving them an impetus. The growers at the present time thrive very well, and the deputation that waited on the Commission some time ago are all men of good position, and they themselves say that there would be no necessity for a duty if they had facilities for bringing their fruit into Dunedin. What causes them to raise this question now is the road-carriage from Roxburgh to Lawrence, and to say that the Government would be justified in putting on an extra duty on that account is absurd. Another matter is that four months in the year they supply fruit and for eight months they supply nothing, however high the duty.

Mr. Paterson: The duty, freight, and wharfage charges on imported fruit amounts to 100 per cent. on the prime cost. Apples in Tasmania run from 3s. to 4s. a case; duty and charges cost 3s. 4½d., and that is the cost in the store before you handle the fruit.

851. *Mr. Tanner.*] I think you said that in other colonies the duty was charged at per case, and you propose the same here, Mr. Paterson?—In Victoria and Tasmania it is so charged.

852. Are you aware that some of them charge at per pound—3d.?—No.

853. Are you aware that this duty of 3d. per pound has been urged before the Commission as a reason why fruit cannot be exported from this colony to Australia when there may be a surplus of local fruit?—No. I think the reason we do not export to the other colonies is because they grow enough themselves.

854. Would you consider 3d. per pound a prohibitive duty?—Yes.

855. You spoke of the heavy loss on sales of fruit which occur here at times: do not these losses fall on the grower?—Not in all cases.

856. Would you say it did in the bulk of cases?—In many cases it does.

857. We have had many complaints before the Commission to the effect that a large amount of fruit is sent here for which the growers get absolutely no return?—That is a likely occurrence.

858. Do any of the Australian growers send here on consignment?—Yes.

859. With the result that in many cases they get nothing?—In some cases the fruit arrives absolutely rotten, and in others the loss is fully 25 per cent.

860. Should fruit go rotten on a voyage from Sydney and Tasmania?—It depends upon the method of carriage. The heat of the hold spoils it.

861. *Mr. Mackenzie.*] You said, Mr. Pryor, that fruit was sold now as cheaply as it could be sold?—Yes.

862. But there is a great difference in the price between Wellington and Dunedin—bananas, for instance?—The reason is the further carriage and loss between Auckland or Wellington and Dunedin. In many cases the shipments are transhipped at Wellington, and, further, several extra days elapse before it reaches Dunedin. The fruit trade in Wellington is mostly done by Chinamen.

863. Is fruit cheaper in Dunedin now?—Yes, such as apples, pears, and tomatoes.

864. I find that less than 3,000,000lb. of fruit bears duty, and that 16,000,000lb. are free?—The difference is represented principally by bananas, and oranges, and pines.

865. What price could the fruit-buyers afford to give the growers, and make it pay, for apples, plums, and apricots?—It depends upon the supply and demand. For peaches we are paying 3d. to 3½d. per pound.

866. What price can a working-man's family afford to give for apples, plums, and peaches?—They should not pay over 2d. per pound for apples, plums from 1½d. to 2d. Those prices are quite sufficient for them to pay.

867. Therefore, if the consumers here could get it at those prices, you could get through a large quantity?—Yes.

868. From your experience, it will pay you to grow plums at 1½d.?—Yes; it would pay very well to sell them at 1¼d.

869. Are there many apples imported between seasons?—Yes; a considerable portion of our crop is done. Our apples will not keep very long, on account of the moist climate, and we shall have to import them for the winter and spring seasons. The Tasmanians keep a long time, and well.

870. Do you not think that by leaving the duty as at present you would induce a number of people to go in for orchards, and in time they will be able to supply fruit at the low price you quote; whereas if you take that duty off you will continue to get apples from abroad, and not encourage the local production?—I think, with the duty we propose, when they grow sufficient here it will not pay to import anything that we can grow, as the freight and charges would amount to more than the price I quoted.

Mr. Paterson: The fruit-dealers cannot procure the quality of fruit locally grown that they can in the other colonies, with the exception of apricots and peaches. In these two lines the Teviot growers have the monopoly. They have been receiving, on an average, 3d. to 3½d. per pound for peaches and 2½d. to 4d. per pound for apricots. In the interior of Tasmania the price received for apricots is 1¼d. per pound.

871. *Mr. Hutchison.*] You consider our local apples superior to the imported fruit, Mr. Paterson?—Some of them; we cannot get the superior kind of apples here with the keeping-qualities of the Tasmanian.

872. Is it not rather a bad thing that they ripen on the voyage instead of on the tree?—No. There are many fruits which improve in flavour with the ripening process when they are picked just at the proper stage, and fully grown, and on the green side.

873. But apples, for instance, not ripe when pulled for export, and which ripen on the voyage —this does not improve them in any way, but rather deteriorates them, does it not?—I do not think so.

874. How does this duty press upon the importers?—Because it is exceedingly heavy, taken with the freight and wharfage. It means a heavy tax.

875. But you do not pay that tax. The public pay it, do they not?—It presses upon the importer, who has to find the money for the duty, which lessens the quantity he imports. You do not import nearly so much fruit as you otherwise would.

876. I do not quite see that, but it may be so. Do you deal with the colonial fruit-growers?—Yes, very largely.

877. Where do you get your fruit from in the colony?—Nelson, Christchurch, Oamaru, and Mosgiel. A grower at Mosgiel told me that there was no necessity for a duty, as, if he could grow apples and get from 1d. to 1½d. per pound for them, he was quite satisfied.

Mr. Pryor: He made money before the duty was in force.

878. *Mr. Hutchison.*] Is it a fact, Mr. Paterson, that there are a number of small farmers who grow a small quantity of fruit?—Yes, a great number.

879. Is it or is it not a fact that the buyers combine together and take care that these men do not get the price they ought to get for their fruit?—That is utterly untrue. For my own part, I am a fruit agent, and of course my duty and object would be, if there were such a thing, to work against it. But there is no such thing as a ring in the fruit market; it is a most absurd idea.

Mr. Pryor: It is untrue.

880. *Mr. Hutchison.*] I suppose you are aware that there is an impression about that it is so?

Mr. Pryor: It emanated from Mr. Mannel, I heard, several years ago, and I am surprised that he suggested such a thing—a man who has made a lot of money.

881. *Mr. Hutchison.*] It did not come from him to me, however. You say there are cases in which the loss falls upon the importer?

Mr. Pryor: Yes; I very often buy fruit in Australia, and when it is purchased there the loss falls on the one who purchases.

882. Is there very much of that fruit sent over on consignment?—It all depends. If fruit is plentiful it comes over on consignment, but if it is scarce we have to pay the price ruling there.

Mr. Paterson: Mine is sent nearly all on consignment.

883. *Mr. Hutchison.*] What would your loss be, on an average, in a year on your consignments?—I consider it fully 25 per cent. by waste alone.

884. *Mr. McGowan.*] The price the buyers have to pay for fruit is based upon the cost free of duty, cases, freight, and general charges; and increasing the duty would only increase the cost of fruit to the buyer. Is that not so?

Mr. Paterson: Yes; it would increase the cost and reduce the sale.

885. And any reduction of duty would tend in the direction of bringing down the price, would it not?—It would tend to increase the sales.

886. Is the locally-grown fruit sent to the market in fairly good order, and in a marketable condition?—No. That from Christchurch is sent in old, dilapidated cases, covered with marks of all kinds. They are sent without any distinguishing mark, without paper lining, and in cases with open spaces. The fruit, consequently, deteriorates in the carriage. If the growers cleaned their orchards from pests and adopted standard cases they would get more for their fruit, and it would give far more satisfaction to the buyer.

887. Does the manner in which the local growers send their fruit to market affect the price they receive?—Yes, very largely.

Mr. Pryor: They do not class the fruit; the Australians do.

888. *Mr. McGowan.*] Is it a fact, or is it not, that fruit is improved in quality by being plucked before it is actually ripe—I refer to pears of certain kinds?

Mr. Pryor: It must be fully matured and developed. Pears are better pulled a little earlier than apples, but with plums or peaches they want to be fully developed, but not dead ripe.

889. *The Chairman.*] It has been alleged to us that the sending of fruit here on consignment is a branch of business that pays the fruit agent better than to deal with the local fruit: is that so, Mr. Paterson?—That is hardly feasible, when you take into consideration the fact that on every case imported the agent has to pay cash down from 3s. to 3s. 6d. before he receives it.

890. Do the same agents deal with both classes of fruit?—Yes; but the business in locally-grown fruit is increasing very much.

891. Why do the local growers send to an agent at all?—By sending to an agent the price is better regulated.

892. So the agent is really the distributor?—Yes.

893. *Mr. Stevens.*] I understand you get fruit from Australia a fortnight earlier than you get the locally-grown. Could you not get it earlier from the North of Auckland?—I think the climate is not so well adapted for the early fruits as Australia, where the fruit-growing districts are well inland. I would like to make one correction in my remarks on the manner in which the local fruit is sent to the market. I make an exception of the Auckland people, because they have adopted the standard cases, and pack and grade the fruit carefully. Were it not for the unfortunate codlin-moth they would do very well indeed.

894. *The Chairman.*] Do you care about your names appearing in the papers?—We have no objection.

(31.) Richard Radcliffe Taylor examined.

895. *The Chairman.*] What are you, Mr. Taylor?—Proprietor of the Zealandia Waterproof Manufacturing Company.

896. How long have you been established?—I started five years ago, and in a busy season employ sixteen to twenty hands. The work is principally piecework, and a girl can earn quite comfortably £1 5s. a week when she has learnt the business.

897. *Mr. Tanner.*] Are they all female hands?—Yes, with the exception of the foreman and a couple of boys.

898. *The Chairman.*] What is the value of your annual output?—About £4,000.

899. Are there any more factories of the kind in New Zealand?—About seven, if you can call them factories.

900. What representations do you wish to make?—I apply for the removal of the duty at present charged on the following materials used in our manufacture, and which cannot be made in the colony: Coat-chains, or fasteners [sample produced], present duty 20 per cent.; seal-cloth for lining buggy-rugs, present duty 20 per cent.; naphtha, for making the rubber solution, present duty 6d. per gallon.

901. At present nobody makes naphtha in New Zealand?—No; rubber is free, but naphtha pays duty.

902. Is naphtha used for any other purpose?—I think I import the most. There is very little duty at stake; at present the duty on naphtha is lost because we import the solution ready made.

903. And if the naphtha were allowed in free you would not import the solution?—No, simply import the rubber, and make it ourselves.

904. *Mr. Hutchison.*] Cannot you do without that seal-cloth?—No, because the public demand it. I have used Mosgiel and Wellington rugs for the same purpose; but the public want the seal, and it cannot be made in the colony. It is a woven textile.

905. Is it used in the imported article?—Yes, very largely.

906. *The Chairman.*] Is there anything else?—There is an enormous number of low-class waterproof mantles (ladies') imported, and I think a heavier duty should be placed on them. They are invoiced as low as 2s. 11d. and upwards. I know of a case in which one firm has sold five hundred in a few days, and it is impossible for me to produce any at less than 17s. 6d. If these low-class goods were pretty severely taxed I would not mind paying 2½ per cent. on the piece goods if it is a question of revenue.

907. What duty do you want on these waterproofs?—There is 25 per cent. now, and if raised to 35 per cent. that would be ample to keep out all the low-class goods.

908. Would you place it on all waterproof mantles?—No; on mantles invoiced at Home at a certain price—under 10s.

909. *Mr. Hutchison.*] Do you not think that has a very awkward appearance—taxing the poor people's goods?—No; because the poor people do not get it. The large wholesale houses get the profit on these low-priced goods.

910. *Mr. Stevens.*] Do they make the waterproof piece material in New Zealand?—No.

911. Supposing you were to put a duty of a certain amount on each article, and then an *ad valorem* duty, would not that be better than to make a specific tax on the goods of poor people?—If the same results can be obtained, that is all I want.

912. Do Ross and Glendining make these goods?—Yes, at their factory; they are the only wholesale house that does. A great deal is done under what I call the "sweating" system. The wholesale houses import the material, and give it out to the smaller ones.

913. *The Chairman.*] Can you tell us the quantity of naphtha used annually by your firm?—About 300 gallons; 2,000 gallons would represent the consumption for the colony.

914. *Mr. Tanner.*] Is it not used for engines?—I do not know of any other purpose except for rubber-waterproof makers.

915. *The Chairman.*] Do you object to your name appearing?—I would rather it did not. There is one suggestion I wish to make regarding the tariff. In compiling the tariff, I think it would be a good way, first of all, if you were to compile your free-list, and afterwards take, say, textile goods; find out what revenue you want, and put a uniform tariff over the whole thing.

916. *Mr. Tanner.*] Your argument is in favour of a simpler classification, and that they should fall more in classes, is it not?—I want to simplify it; there are many things you could do away with.

917. But is it not a fact that goods of different descriptions are often packed in cases, and under any system of classification that might be adopted this sort of thing would still exist, only in a lesser degree?—Yes; but if this suggestion were carried out business people would have as many goods as possible shipped under the free-list, to escape taxation.

918. *Mr. Mackenzie.*] How would your suggestion dovetail in with the protection that manufacturers are now asking? You want 35 per cent. on certain garments: would you bring all the other classes up to that?—I would bring each class up to an amount that would bring in the revenue required. I would not consider an individual case like my own.

919. We will take all clothing. You would not, because of revenue being required—say, a million from the Customs tariff—fix everything at one rate, irrespective of the demands which are made for protection?—Yes; I would fix one rate, for the simple reason that you assist the people who want protection by putting into the free-list what they require.

920. *Mr. Tanner.*] What would you do in this case: A printer wants his paper as cheap as possible, and the paper-manufacturer wants a heavy duty upon the imported article? Would that paper in such a case go into the free-list or the dutiable list?—If you wanted to protect the locally-manufactured article you would certainly not put the imported article into the free-list.

921. Would not that have an injurious effect on the printing trade, who do not want a duty upon manufactured paper?—If you put the imported paper into the free-list it certainly would have an injurious effect on the local manufacturer, because you simply cut him out at once.

922. *Mr. Stevens.*] Your suggestion is for the purpose of doing away with the necessity of having to enumerate all the various items in each class?—The fewer items there are in a tariff the better it would be for the tariff.

(**32.**) Messrs. Henry North and W. G. North examined.

923. *The Chairman.*] I presume you are brushmakers?

Mr. Henry North: Yes; trading as North and Co. I have been in business about thirty-six years. It is my son's trade now, and he has been in it about ten years. Might I ask that our names or the nature of our evidence be not published, because it might injure our trade.

924. *The Chairman.*] Very well. Do you employ much labour?—It is reduced now to six hands. We ought to have at least fifty.

925. What do they earn in full work?—£1 15s. to £2 5s. a week; boys, 15s. to £1 5s. We have two lads earning 6s. and 7s. Of fifty employés there would be ten men and the rest lads.

926. What is the value of your present annual output?—About £1,000 a year, including all branches.

927. Are there any other factories of this kind in New Zealand?—One in Canterbury, two in Auckland, and we have a branch in Wellington. If we could command the trade of the whole colony I reckon there would be employed about one hundred more people than are employed now. There are sixty now employed, whereas the number ought to be one hundred and forty to two hundred.

928. What is it you ask?—We find that there are a great many imported brooms (American-, Japanese-, and Italian-made) coming into the colony. The Italian and American brooms are made of millet, or American corn—the Italians call it "whisk." A great many of these brooms that are imported here are sent on consignment, and are made in State prisons by convict labour, penitentiaries, asylums, old men's homes, and other institutions of that kind. I will read a statement I sent to the Premier last year calling his attention to a paragraph contained in a trade review we received from America:—

Dear Sir,— "Re *Convict Labour.*

"We take the liberty of sending you a copy of an extract from an American trade journal, containing the following:—

"'Laramie, Wyo., Prison-plant enlarging.—Work has begun on an addition to the broom-factory at the State penitentiary; when completed will make the entire building twice its present size. The structure will be two stories high, the second story to be used for tailor- and shoe-shops, while the first story will be an extension of the broom-factory proper; the work to be done by convicts, and pushed to completion as speedily as possible.'

"As the broom and brushware referred to are imported through agents into this colony, you will see how difficult it is for local manufacturers to compete against this class of convict labour.

"We would respectfully point out that the above is one of the causes of so many of our mechanics, young and old, being out of employment, and would ask your kindly co-operation when the tariff question comes before your honourable House in support of an extra tariff on all classes of broom and brushware, with the object of shutting out these prison-made articles from our markets. "We are, &c.,

"W. G. North and Co.,
Broom-factory, Dunedin.

"P.S.—We have sent the original extract to the Hon. R. J. Seddon."

"*Newark, N.J., Church to open a Shop.*—The Fairmount Avenue Baptist Tabernacle, of Newark, N.J., which has recently laid the corner-stone of a new structure, is to open a broom-shop in connection with new building, says the New York *Commercial Advertiser.* Work is to be given to men out of employment, especially those who have been discharged from prisons and reformatories where they have learned the trade of broom-making."

"*Philadelphia Charity-plant to be enlarged.*—The Penn Working Home for Blind Men, at Thirty-sixth Street and Lancaster Avenue, Philadelphia, Penn., is to have a four-story brick, stone, and iron addition, 87ft. x 86ft., built, to be used for the manufacture of brooms."

"Sir,— "Premier's Office, Wellington, 2nd July, 1894.

"The Hon. Premier desires me to acknowledge the receipt of your letter of the 20th ultimo, in reference to unfair competition of foreign convict labour.

"In reply, I am to state that the matter is one for the Hon. Minister for Industries to deal with, and your letter has been referred to him accordingly, with a recommendation that it be laid before the Industries Committee of the House. "Yours faithfully,

"J. Gray, Private Secretary.

"W. G. North, Esq., Broom-factory, Bond Street, Dunedin."

"Sir,— "Wellington, 5th July.

"I have the honour, by direction of the Hon. W. P. Reeves, to acknowledge receipt of your letter of 25th ultimo, with regard to the placing a duty on imported brooms made by convict labour.

"In reply, Mr. Reeves asks me to say that he entirely agrees with all you say on the matter, and thanks you for calling his attention to it.

"I am, &c.,

"W. G. North, Esq., Dunedin. "G. G. S. Robison, Private Secretary.

"Dear Sir,— "Office of the Minister of Justice, Wellington, 2nd July, 1894.

"I am directed by Hon. Mr. Cadman to acknowledge receipt of your letter of the 25th June, *re* convict labour, and to say, in reply, that the matter will receive attention when the tariff question is being considered by the Government.

"Yours faithfully,

"B. M. Wilson, Private Secretary.

"W. G. North, Esq., Broom-factory, Dunedin."

We find that this industry, which should employ hundreds of people, is being crushed out by the imported prison-made goods. We have not had many from Japan, but we have had large quantities from Italy. The latter is almost cutting out the American supply; and the goods are made, if not in Italian prisons, under the sweating system. When I passed through Italy two years ago I made inquiries with reference to the manufacture of these brooms, and found that large quantities of this material were given out to whole families to manufacture brooms under the sweating system. A family of six or seven people would not earn more than 12 to 15 lire a week. The lire is equal to 10½d., and that makes it 12s. 6d. a week for a family of seven people. According to the Customs returns for 1893, 2,593 dozen of this class of broom were imported during that year from the United Kingdom. These are Italian brooms sent to England, and thence shipped to the colonies, and passed through the Customs as Italian-made brooms. From Victoria were imported 134 dozen; from New South Wales, 350 dozen; Italy, 1,715 dozen; Germany, 90 dozen; America, 3,433 dozen: making a total quantity of 8,315 dozen imported during 1893. I produce samples of brooms of our own make, of Japanese make, and of American make for the information of the Commission. [Samples produced.] We supply our brooms and sell them to the trade at 1s. 3½d. each. They are retailed at 2s. The American fetches about 1s. 10d. to 2s. retail. The Japanese broom, which is made of rice-straw and bamboo-cane handle, was lately sold in Invercargill at 13s. 6d. a dozen wholesale.

Mr. McGowan: At 7d. and 8d. They have been sold as low as 5s. a dozen.

Witness: In 1893 only about six pounds' worth of Japanese brooms came here; in 1894 about six hundred pounds' worth. A friend of mine in Christchurch told me that he could not get them at all, and he wished he could get a dozen bales. We ask that the Commission should assist us against these imported goods by means of a protective tariff.

930. *The Chairman.*] Is there any other matter you wish to mention?—There was only brush- and toilet-ware to the value of £816 imported during 1893. There is not much made in the colony. Brushware of other kinds to the value of £6,818 was imported during 1893, and a great many of these articles, although they come from the United Kingdom, are made in Germany and elsewhere, and at deaf-and-dumb asylums, blind asylums, reformatories, &c. We could make equally as well and as cheap here; but, while the total value of imported brooms amounted to £11,403, the value of the raw material for local consumption was only £4,050. The present duty is now 20 per cent., and we would like it raised to 50 per cent.

931. *Mr. Tanner.*] Is it within your knowledge that any other prison-made goods, other than brushware, are imported into the colony?—We think they are being imported.

932. Are you aware that the English importers' arrangements are such that they allow German prison-made goods to enter England without any discriminating mark upon them?—It appears so.

933. And these goods are then exported to the colonies?—Yes.

934. Are you aware that it has been ascertained by a recent Commission in England that goods are made in German prisons, stamped with the marks of English houses, sent back to England, and then out to the colonies?—I was not aware of that, but it is quite possible.

935. Are you aware that the report of a Commission of this kind was published with the sanction of the British Government last year?—No.

936. *Mr. Mackenzie.*] The desire to put on a duty of 50 per cent. is because you cannot compete with the imported article?—It is because the industry is so crushed down we can scarcely get a living.

937. If you put 50 per cent. on the imported brooms, would the price of the locally-made ones be increased?—No.

938. Then, why cannot you compete now?—At present, while the foreign brooms are sold at the same price as our colonial goods, it is the middleman who gets the profits, and not the consumer; and our output in thus crushed out by the importer.

939. I do not see how the middleman is involved at all. Take a firm like Stevenson and Irvine: they require no middleman, but sell direct to the user, and buy direct from the merchant; therefore, in order to secure this trade, and keep out the other, you must put on a duty of 50 per cent.: is that not so?—We want 30 per cent. additional duty, in order that we might employ more labour and extend our trade.

940. The present duty collected on brushware of every kind amounts to £2,240: assuming the 50-per-cent. duty kept out all the imported goods, will it be possible, with that money, to employ hundreds of families, as stated? That would not pay their wages, would it?—I said 100 more hands than at present employed, not families.

941. What do you consider the value of material in seventeen thousand pounds' worth of raw stuffs?—In the ten thousand pounds' worth—the value of the duty on brushware other than brooms—imported there would be material to the value of £4,500.

942. Therefore, £5,500 would have to pay the labour of 100 people, assuming all these goods were made here?—Yes.

943. Do you know for a fact that there is a large quantity of prison-made goods coming into New Zealand?—We have it here in this trade circular I have already read. There is no getting out of the fact that there is no outlet for these prison-made goods except to New Zealand and other British colonies.

944. Can you give us any idea of the goods turned out of other factories—in Italy, America, and Germany?—I cannot give you items.

945. Can you tell us about the proportion of output from prison labour and the proportion from other factories in these countries?—No.

946. Do you not think there is a great deal made of that cry about prison-made goods being imported here in order to raise Protection in the colony?—No; I think not.

947. You said that in Italy there were families only making 12s. 6d. a week: in Italy you must know that, with the price of provisions and the taxes on these people, it is simply impossible for a family of seven to subsist on that amount?—It is hard to say what they do subsist on: what they call existence we would call starvation here.

948. *Mr. McGowan.*] What is the cost of the best American broom you make?—15s. 6d. a dozen, and the lowest about 6s. a dozen.

949. *Mr. Stevens.*] What is the value of the millet used in brooms made in New Zealand?—Four thousand five hundred pounds' worth was imported last year to keep the trade going.

950. Therefore, if your trade were doubled, you would require nearly ten thousand pounds' worth?—Yes.

951. Do you think it would be impossible to grow millet in New Zealand?—I do not think it would be impossible, but it wants thoroughly trying.

952. Are you aware that they grow the millet in Auckland quite equal to the material in these brooms which you have produced, and also make brooms there?—Mr. Harbott has attempted to grow the corn, and has told people it has been a failure.

953. Where do you obtain the bristles for brush-making from?—From England, China, Japan, &c.

954. You do not get any in New Zealand?—No.

(**33.**) Deputation from Milton Pottery (William Alcock and William Byars).

955. *The Chairman.*] You attend as representatives of the Milton Pottery?—Yes. We are the proprietors.

956. Which gentleman will act as spokesman?—Mr. Alcock.

957. Will you kindly state what you wish to say?—We apply for a duty on the imported glass jars used for preserving jam and fruits, and on earthenware teapots, and stoneware. The present duty is 20 per cent., and we ask that it should be raised to 30 per cent.

958. The glass bottles come in free now?—We want 20 or 25 per cent. on them.

959. Can you make all these goods?—Not the glass ones, but they stop us from making the earthenware jam- and preserve-jars.

960. Are you able to supply jars that will answer the purpose at a price that will be equal to the price they can now be obtained at?—Cheaper. The difference between ours and the imported is that the latter have a screw top, and we do not put that on.

961. Can you supply earthenware and stoneware at a price equal to the price of the imported?—People prefer the Home goods to the colonial-made.

962. Do you claim that your articles are as good?—Yes.

963. Can you supply them at the same price?—Yes, if we could get the market.

964. What amount of labour do you employ?—Seventeen hands.

965. What do they earn per week?—At piecework the average is about £2.

966. Is the demand locally sufficient to keep more factories going than yours?—Yes; two or three more.

967. Do you wish to add anything, Mr. Byars?—No.

968. *Mr. Tanner.*] Are these glass jars you refer to imported here, and filled with jams and preserves locally made?

Mr. Alcock: Yes.

969. *Mr. Tanner.*] They are not brought in ready filled?—No; empty.

970. *Mr. Hutchison.*] How is the pottery progressing, Mr. Alcock?—We have been a bit slack through the glass bottles coming in.

971. How many men do you employ?—Ten men; the rest boys and girls.

972. Are you managing to turn out the right article now?—By what people say, our goods are better now than ever. If we could sell them we could make more than we are now making.

973. And you cannot get a sale for all you can make?—No.

974. I suppose that might arise to some extent from the finish not being so good?—We make them just the same as they do at Home. We have every appliance. Of course, the material is not so good. We do not make white stoneware, but that does not look so well as the brownware.

975. Do you make the earthenware teapots?—Yes.

976. *Mr. Mackenzie.*] Do you make plates and toilet-sets?—No; it does not pay.

977. In the brownware are people not giving you orders?—It does not seem so.

978. How do the prices compare with the imported?—The importers used to take some.

979. Do you work now with the large wholesale people or the small storekeepers?—With anybody.

980. Supposing you ask a storekeeper to give you an order, what does he say?—He says he can get the imported article cheaper.

981. *The Chairman.*] By how much?—An article that costs landed here 7s. a dozen we were charging 9s. a dozen for.

982. *Mr. Mackenzie.*] You expect this increased duty to keep out some of the imported, and afterwards you would expect, through the additional trade, not to increase the price?—We do not want to increase the price, but only to increase our output.

983. *Mr. McGowan.*] Are you aware that glass jars, from the size of 1lb. and upwards, are already made in the colony?—No; a lot are imported from America.

984. What is the price of your 1lb. jars?—One shilling and sixpence a dozen.

984A. Glass jars made in the colony are retailed now at the same price, so your request would interfere with another industry. What is the lowest price of your brown earthenware teapots?—Four shillings and sixpence.

985. And the highest?—Fourteen shillings.

986. *The Chairman.*] Do you wish your names to appear?—No; I would rather not.

(**34.**) Mr. David Pinkerton, M.H.R., appeared on behalf of the Misses Buchan, manufacturers of artificial flies for fishing, and was examined.

987. *The Chairman.*] You wish to appear on behalf of the Misses Buchan?—Yes.

988. *Re* what question?—The mounting of flies for fresh-water fishing. The ladies referred to came from Scotland twelve months ago, and have since been carrying on this manufacture. The Customs Department have removed the duty on the silks used in the mounting of the flies, and the Misses Buchan now ask that the duty on the imported finished flies be increased, or else that the duty on the hooks used in the manufacture should be removed, in order to encourage the manufacture locally. They are quite able to compete with the present imported article, but a cheaper article is being introduced, against which they will not be able to compete without assistance. The industry will employ a number of young people when once established. I produce samples of their work.

989. *Mr. Stevens.*] Could you suggest what amount of duty would do?—The amount involved is so small that it would not affect the revenue in any way. I only refer to hooks used for fresh-water fishing.

990. If all fish-hooks were made free, would it not serve the purpose of your friends?—Yes.

991. What duty do they pay now?—20 per cent.

(**35.**) William Smith examined.

992. *The Chairman.*] We understand, Mr. Smith, that you are travelling in the colony just now, and have had some experience in the fruit trade?—A little, although I am not a grower myself.

993. We shall be very glad to accept any information you may wish to offer?—I understand you prohibit the importation of grapes on account of the phylloxera. We have never had that disease in South Australia, and I think it would be a good thing for the people here and in South Australia if our grapes could be admitted here. They could be retailed here for 4d. per pound. They can be shipped at Port Adelaide for 4s. 6d. per case f.o.b. A case contains 40lb.

994. Will they carry?—Yes.

995. Is there any other fruit you would be likely to export from South Australia?—I think you grow all the other products. We do a large business in dried fruits.

996. *Mr. Tanner.*] Would not the shipping charges on imported grapes be rather heavy?—No. Between Adelaide and Hobart the cost of shipping (including freight, wharfage, and duty) is 1s. 6d. to 2s. per case.

997. Are the vines in South Australia absolutely free from disease?—They have what they call "oidium" in their vines. It is a sort of rust which comes on to the grapes; but sulphuring cures that.

998. In Victoria the vines were all destroyed on account of the phylloxera, were they not?—Yes, and South Australia had to bear some part of the expense of eradicating it.

999. *The Chairman.*] Have you any objection to your name being published?—I do not want it to appear.

1000. Where do you reside in Australia?—O'Halloran Hill, South Australia.

(**36.**) Deputation of Amalgamated Society of Engineers (Solomon Gillies and John Gilmour).

1001. *The Chairman.*] Which gentleman will act as spokesman?—Mr. Gillies.

1002. You attend, Mr. Gillies, in connection with the engineers' society?—Yes; the Amalgamated Society of Engineers, Dunedin Branch.

1002A. Are you a deputation authorised to attend by the society?—Yes.

1003. How many members are there in your branch?—Thirty-eight.

1004. What representations do you wish to make on behalf of your trade?—Our trade is at present very much hampered by the arrangement of the tariff. Locomotives, machinery for agricultural purposes, dairy machinery, electric-light machinery, boring machinery, mining machinery (including dredges), are now admitted free, and we ask that a duty should be imposed on all imported machinery that can be made in the colony. We do not wish to impose any duty on machinery that cannot be made in the colony, such as paper-making machinery; but we find the present state of things a great hardship. In this town alone there are about forty men in our trade idle. Again, machinery brought in duty-free under one of the headings I have mentioned, quite legitimately, may afterwards be sold to be used for quite another purpose, and thus escape duty. We want no exemptions at all except in the case of machinery that cannot possibly be made here.

1005. Is there any other machinery you cannot make here except paper-making machinery?—Printing machinery and woollen-mill machinery, vertical lathes, or engineers' tools.

1006. Can you make all classes of engines and boilers?—Yes; we do not want any exemptions for them.

1007. Then, your application means a request for duty on all classes of machinery, with the above exceptions?—Yes.

1008. And you ask that the duty should be made 30 per cent. on all the others?—Yes.

1009. If you had the command of the whole market, could you supply the same articles as cheaply as they could be imported?

Mr. Gilmour: I am afraid we could not.

1010. *Mr. Tanner.*] You speak of forty men being idle in your trade: who are they?—They are not all in the iron trade; that number includes boilermakers.

1011. It does not mean that they are all members of your society?—No.

1012. How are the members of your society supplied with work generally?—They are not all in fair and continuous work.

Mr. Gillies: Some are at sea. I have been idle ten months, and, although considered a good workman, I cannot get work.

1013. *Mr. Tanner.*] Are there any other men in the same position, Mr. Gillies?—There are seven idle out of thirty-eight. Including the sea-going engineers, there are eighty-eight men in our trade, and thirty-eight in our branch of the society.

1014. Do you mean to say that there are very few men who have permanent employment?—Yes; unless they are at Hillside or at sea.

1015. Are all these men idle through an overflood of labour, or on account of a scanty supply of work?—Both.

1016. We have been told in other places that young men of good education and ability have learnt the engineering trade when there has never been any reasonable prospect of their being able to obtain a living at the trade after they had learnt it, and consequently they have been compelled to abandon it and take to other occupations: is that the case here?—In some cases I have known of young men who had to abandon the trade and take to other things.

1017. In speaking of the machinery which you think should be admitted free, have you contemplated including in it the machinery in use for boot-making? Do you think any firm in this colony could turn out a "Goodyear" machine for sewing soles on to uppers?—Nothing of the kind has ever been attempted. We only take the items that affect ourselves.

1018. *Mr. Mackenzie.*] Did I understand that you would place amongst dutiable machinery dairy separators, Mr. Gillies?—Yes; they are made here. I have worked at them myself.

1019. Can you make a separator as good as the imported?—Yes.

1020. What is the difference in the price?—I could not tell you that, not being an expert.

1021. Do you think the price of the locally-made one is higher?—I do not think there is much difference.

1022. Would you include agricultural machinery amongst the things you would submit to a 30-per-cent. duty?—We hold that those making a living in the country from these dairy factories ought, in justice, to have as much of their machinery as possible made here.

1023. Take reapers-and-binders, threshing and grass-cleaning machinery: would you put 30 per cent. duty on those?

Mr. Gilmour: Reid and Gray made reapers-and-binders, but ceased to do so, for the sole reason that they flooded the country with a lot that were literally no use. They import them now.

1024. *Mr. Mackenzie.*] You are giving hearsay evidence, I am sure. The reason adduced why Reid and Gray ceased making was owing to the death of one of the partners, whose special department was making reapers-and-binders. Would you consider that a duty should be placed on these things?—I could not say anything about reapers-and-binders.

1025. Would you include railway-engines amongst dutiable goods?—Yes.

1026. Some societies ask for 50 per cent: do you think 30 per cent. is sufficient?—We are not authorised to go as high as that.

1027. What wages do you earn when you are in work?

Mr. Gillies: Ten shillings a day.

1028. Assuming the difficulty is not to be met by a 30-per-cent. duty, would it not be well, in order to secure constant employment, to consider some concession in wages?—That is where the difficulty is. We are at a loss as to that; but it is the only reasonable way we can see which will enable us to keep our men employed.

1029. Do you think the higher duty would secure enough work by keeping out the imported article?

Mr. Gilmour: There is a danger in making it too prohibitive, because if made prohibitive there will be an influx of labour, and we shall be no better off than we are now.

1030. Would you, with the present duties, by making a concession in wages, obtain constant employment?—I do not think we would.

1031. *The Chairman.*] You exempt three classes of machinery, and we now ask whether you wish to include agricultural machinery?

1032. *Mr. Mackenzie.*] I gathered that these gentlemen do not make any suggestion with regard to agricultural machinery outside engines. You think that all other articles should bear 30 per cent., with the exception of the articles you have exempted. I asked you just now if, in the present depressed state of the agricultural interests in New Zealand, you think farmers can afford to pay a higher price for the machinery they use?

Mr. Gillies: I believe there would be no higher price, as I think they could be made as cheaply as they are now.

1033. Therefore, in effect you say the object of the duty is not to increase the price to the farmer, but to keep the other things out of the market?—It would give the employers a better chance of importing the necessary machinery to make these articles, as they would receive the necessary encouragement to do so. The articles would be as cheap to the buyer as now.

1034. *Mr. Hutchison.*] Have you exhausted your free-list, Mr. Gillies, when you mention printing machinery, paper-making machinery, and woollen-manufacturing machinery? You can make everything else in the colony?—Yes.

1035. Can you make flour-mill machinery?—Yes, and it has been done.

1036. Where?—In the Mosgiel flour-mill, I was working on the job, and we supplied the boiler and all the machinery, with the exception of the rollers, which were imported. They cannot be made here.

1037. Can you make the machinery for candle-factories?—That is patent machinery, and requires complicated machinery to produce it.

1038. Now, with regard to the question of wages, and those men out of employment, could it not be arranged for some of your men who are in work to share that work with their less fortunate brethren, say, to let the latter have a day or two's work a week?—We have no opinion upon that.

1039. Have you, Mr. Gilmour?—No, we did not take that into consideration.

1040. Is it not a wonder that, in the dearth of employment, you did not think of that?

Mr. Gillies: You must be aware that all classes of labour are paid higher wages in this country than where we come from.

Mr. Hutchison: But I said to maintain the wages, and divide them amongst the whole of you.

Mr. Gilmour: You will not get the men to do that. Something like that was put before the Government.

1041. *Mr. Hutchison.*] These men out of work are as skilful workmen as those in employment, are they not?—Yes.

1042. *Mr. McGowan.*] You say, Mr. Gillies, there should be a duty on mining machinery: have you seen a safety-cage in operation in a shaft?—No.

1043. Have you ever seen a safety-cage?—No.

1044. You do not know whether you could make one or not?—No.

1045. Could you manage a steel-wire rope for mining purposes?—No; that is not machinery, and we are not touching upon such articles at all.

1046. *Mr. Stevens.*] Could you make a saw-belt for sawing timber, and the machinery connected with it?—We have made the saw-frames.

1047. I am speaking of the machinery necessary for the working of a band-saw, as used in America: could you make all the machinery of a band-saw?—We could make the frame, but not the saw. . .

1048. *The Chairman.*] Do you wish to add anything, Mr. Gilmour?—Yes. Our business in coming before you is this: There are a good many of our trade going about the streets for want of work, and it is not very pleasing to see finished work landed on the wharf or at the station when it could well be made here, and employ our men, if not constantly, at least a great deal more than they are at present. We do not wish to hamper any industry in the colony, nor do we wish to foster or back up any industry by heavy protection, for we perceive that as soon as the backing-up is taken away, then it falls to the ground; but we would like a heavier tariff than there is at present on some things, and some things that are free made dutiable. We would also seek your counsel in doing so, so as to do as fairly as possible to all parties. The first item I wish to bring before you is cold rolled or iron shafting. We cannot find it mentioned in the tariff, so it must be classed as bar-iron, which comes in free. Now, this cold rolled iron shafting is very largely used instead of turned shafting, and, of course, does a turner out of a job. Of course it is in block, but from its roundness and straightness, and being pretty even of diameter, it has commended itself as being nearly as good as turned shafting, and as well suited for many purposes as turned shafting. We are of opinion that some duty should be on it. The next item is boilers and parts thereof. We are of opinion that boilers coming here in parts all ready to rivet should have a heavy duty. Of course there is a duty on these already, but not enough. A boiler coming here in that way is, properly speaking, a boiler complete; it has all been put together to see that everything is right, then taken to pieces and sent here, with nothing else to do but rivet and caulk. Now, we think, seeing there are a great many boilermakers idle, and that the boiler could be made here, that something ought to be done to have that boiler made here altogether. Dredge-pins is the next item: these pins come here forged, with head on, and cut to length. Now, there is work on that before coming here. Dredging appliances and dredges are free; these could all be made in the colony, and would employ our men and keep the money in the colony, and would be the means of brightening many a home, instead of our men going for eight, nine, and twelve months at a stretch idle, while these goods are coming in finished and ready for use. Bright shafting and pulley gearing for the machinery sent are charged 20 per cent. now, but we apply for a heavier duty on them. All these can be made in the colony. We also think that articles are imported and not properly classified in order to escape duty. We do not mean to make a charge against any one, but we fancy that a good many articles are imported and invoiced in such a manner as to avoid duty.

1049. *Mr. Hutchison.*] Have you any instances you can give us where this has been done?—I could not do so definitely.

1050. *The Chairman.*] Do you wish your names to appear?—No, only mention, please, that a deputation attended from the Amalgamated Society of Engineers.

(37.) James William Faulkner examined.

1051. *The Chairman.*] You are in business in Dunedin, I understand?—Yes, as a manufacturer of wire netting. I have followed the trade ten years.

1052. Do you employ much labour?—Twenty-five to thirty hands, full time.

1053. What are the wages paid to journeymen?—From £3 a week downwards.

1054. Will you please state what you wish to represent?—I manufacture wire netting, and have averaged about two thousand pounds' worth a year in output for the last four years. At present this netting is allowed in free, and I ask for a duty of 25 per cent. on the imported manufactured article.

1055. If that duty were imposed, would it have the effect of increasing the price of wire netting?—No. I only want a larger market.

1056. Could you supply rabbit-netting at the price at which it can be landed now if you had the command of the whole market?—Yes, most decidedly. I am willing to put that into a guarantee.

1057. You are aware that this netting is imported at a very low price?—I am competing now with the free importation, and I am selling netting 36in. wide, 1½in. mesh, 17-gauge wire, for £18 6s. 8d. per mile.

1058. If the duty were put on, would you have the trade in your own hands entirely, or are there any other people who would compete with you?—I do not think there is any one else in New Zealand. Lysaght and Co., in England, one of the largest makers in the world, are in the habit of chartering vessels very cheaply and sending a whole cargo out, distributing it between three ports in New Zealand—Wellington, Lyttelton, and Dunedin—and it is landed here at the rate of 7s. per ton freight; whereas to send it to Oamaru I have to pay 10s. per ton freight, to Timaru 12s. per ton, and to Christchurch £2 1s. 10d. per ton. Netting to the value of £15,333 came in free in 1893, and I made two thousand pounds' worth in addition to that. With my new machines I shall be able to turn out netting at the rate of eighteen miles a week. I can give references, as to the quality of netting I am turning out, to Murray, Roberts, and the Land Company, and others. We also manufacture iron bedsteads, and we also ask for the present duty of 5 per cent. to be taken off bedstead-tubes.

1059. How can they be distinguished from any other tubing?—The bedstead tubing is woven rolled tubing, and it is not bucketed together, and is quite a different thing to the water- and gas-tubing. We also ask for the removal of the duty on castors used for the bedsteads. They cannot be made in the colony.

Mr. Glasgow: We should have to make all castors free.

1060. *The Chairman.*] Are there any other items you wish to mention, Mr. Faulkner?—We have to pay 20 per cent. on the machinery we import for wire-netting manufacture, and we think this should be free.

1061. *Mr. Glasgow.*] I think you got a refund, Mr. Faulkner?—There was a refund on the £63 machine, but not on the last machine we imported—the £263 one.

1062. *The Chairman.*] You have just followed a deputation that asked that the duty should be kept on such machinery: could this wire-making machinery be made in the colony?—I am making all my own now.

1063. Why did you import that referred to?—I was not then in a position to make it. I am making about 15 tons now for my own use. We also ask that the duty should be taken off galvanising-baths, weighing 1 ton 15cwt., which we require to import. They cannot be manufactured in New Zealand.

1064. Are there no other people that use these baths?—Only galvanisers use them; they might be described as "baths for galvanising purposes."

1065. *Mr. Tanner.*] Do you think that local manufacturers make sufficient inquiry in the colony of metal-workers in order to ascertain if machinery they require can be made here before they order such machinery from Home?—I do not think they do.

1066. You think they do not take the trouble to inquire whether machinery can be made in the colony, but jump to the conclusion that it cannot be made here: is that view correct?—Yes; quite correct. I have proved that in my own case.

1067. *The Chairman.*] Do you object to your name being published, or to its being stated that you have given evidence?—I would rather that my name should not be published.

FRIDAY, 8TH MARCH, 1895.

(38.) J. W. FAULKNER re-examined.

1068. *The Chairman.*] You wish, I understand, to make some further statement in addition to what you made yesterday?—I would like to point out that it would be advisable to impose an export duty on zinc. The Chinamen pick it up all over the place, and ship it off to China at 1s. 9d. per ton wharfage. All the zinc- and brass-manufacturers want the zinc as well as I do.

1069. Would not the Chinese be willing to sell it to local purchasers if they could get as much for it here as in China?—They get so much more for it in China that it is almost prohibitive to buy it from them here. They can get a better price in China for it than we could give for it. A. and T. Burt, Morrison and Co., and all other people who work brass want it, and we, the wire-workers want it for galvanising.

1070. You cannot give the price they get for it in China?—No; they ship the zinc away and get goods back.

1071. Is not that an attempt to compel a person to sell the zinc at a less price than it is worth?—As no zinc is found in New Zealand, what is here should be kept here, to be used here. We cannot get hold of it. These Chinamen, it must be remembered, live on rice, and spend very little in the community.

1072. Is there any other item you wish to make representations about?—That is all just now.

1073. *Mr. Tanner.*] What price is generally given by European brassworkers and galvanisers for this zinc?—You mean the old sheets? I give £9 to £10 per ton.

1074. What price do the brassworkers give for it?—I believe Burt is giving £8. About £9 to £10 is the maximum price. It very seldom goes to £11.

1075. What price do the Chinamen sell it for: do you know?—I cannot tell that.

1076. Do you think they give as much for it in collecting it as you do?—No; they pick it up from dust heaps, and give about £5 per ton for it. I think that is near about it.

1077. What is the price of imported zinc, supposing you had to import it specially from the Home market?—It runs about £22 per ton.

1078. *Mr. Mackenzie.*] I was not here yesterday when you went into the question of wire netting. You are now selling the 36in., 1½in. mesh, 17-gauge, at equal to 2½d. per yard?—Yes; that is the price for large quantities.

1079. What is the imported article of the same dimensions being sold for?—I heard Briscoe and Co. were selling at 2⅞d.

1080. That is ⅜d. more than you are selling it at?—Yes.

1081. If that is so, why do you want protection?—Because I cannot get rid of all mine, because Lysaght sends it in so cheaply.

1082. Still, if you can sell at ⅜d. less than it is imported for and offered for sale you ought to secure the market?—I could make more and get rid of more if there were a little protection.

1083. Of course, you say the object of protection is not to increase the price but to secure the market?—Yes; I want to get an output for the material manufactured by the machines that are being made. I do not want to put up the price, but simply to get the market.

1084. You must recognise that the question of rabbit-netting is not like an ordinary question in the country, inasmuch as the rabbit-pest and the suppression of rabbits is such an important matter?—That is why I have gone in for the making of these two large machines I mentioned, which cost £1,500.

1085. Anything that would at all approach a hardening of the price seems to me to be a dreadful thing in this colony?—It would not harden the price. The price would be the same, only I want to get the output.

1086. It seems to me that in order to meet this pest by lessening the cost of netting the Government should call for the making and supplying of a vast quantity of netting at one time?—That would be a very good idea.

1087. The reason for that is to lessen the price as much as possible to the user?—You mean the supply from the Government to the consumers?

1088. Yes; to let the Government be the medium?—I could supply the Government at a very low price, and give them at the rate of about twenty miles a week.

1089. You say it is imported from Home at 7s. per ton freight?—Yes.

1090. Yet, if you send it along the line to Christchurch, you say it costs you £2 1s. per ton?—Yes.

1091. If you got an order for all you could turn out, at what price could you supply it?—It depends on what kind of netting you want. The machine makes three widths, but when it is not fully employed part of the machine is idle, and that increases the price.

1092. I think the supply of netting should go through the Government, and it should be of sufficient quantity, and suitable for checking the pest. If, instead of putting on an extra duty of 20 to 25 per cent., they actually allowed netting to go along the railways for nothing, what would you say to that?—That would be more than I am asking for, and I would be quite satisfied with that. It would do if the Government could assist us by sending our manufactures over the railways free, but under the present low tariff it is almost impossible to get along.

1093. Assuming that they gave you the free use of the railways, or that they bought from you and they themselves used the railways, at what price could you supply the netting?—We could give it at a very low price; but, if there was no duty on the netting, we should still have to compete with Lysaght's coming in at 7s. a ton. And then, supposing our manufacture were carried free on the railways, how are we to get over Cook Strait? We had a vessel here recently which landed part of her cargo at Wellington, part at Lyttelton, and part at Dunedin.

1094. It seems to me that, in order to check the spread of the rabbit, the farmers must have the netting at the lowest possible price, even if the State assists them in putting the wire netting where it is wanted?—I agree with that. I came up here to ask for a means of creating a larger demand, not to ask for an increase of price. I have put it down at a very low price.

1095. I feel this item one of such importance to the colony at the present time that it should be obtainable at the lowest possible price?—It is just on the netting I came up, to ask you to allow me to get part of the trade outside.

1096. Suppose you had no tariff, and that there was an order for a thousand miles of wire netting to be supplied to the Government of New Zealand, could you tender for that at as low a figure as Lysaght could land it here at and pay their carriage?—No; I do not think I could, quite as low; but it all depends on the class of netting that would be asked for.

1097. *The Chairman.*] Your answer to Mr. Mackenzie is that if you had an order for a thousand miles of netting for the Government you do not think you could supply it at quite as low a price as Lysaght could?—I would undertake to do that, and tender for it at a very low price. On second thoughts, I think I should be able to compete.

1098. *Mr. Tanner.*] You would undertake to fulfil the order, and would take the risk?—Decidedly.

1099. Is not that rather a large order you are giving us this morning—that you would like to get goods at a lower price than the seller can get for them? You say the Chinamen give more for zinc than you can afford to give?—Yes; they buy it outside. They live so cheaply, and work for so little. We cannot afford to pay a European a wage to go round and collect. They go round and pick up this zinc, and mostly get it for nothing—in fact, for taking it away—and then they want a prohibitive price for it.

1100. But I understood you wanted to prevent its shipment by putting an export duty on it: If I had a piece of zinc for sale, and you offered me 2s., while a Chinaman offered me 3s. for it, it would be hard on me if I could not sell it for 3s.?—We cannot go round the country and collect it as Chinamen do. They go into everybody's backyard and gather it; then send it to China; while we have to import it at £22 per ton.

1101. I do not see how you can control that, Mr. Faulkner?—You can do so by placing an export duty on it.

(39.) Alfred Charles Broad examined.

1102. *The Chairman.*] You are, I believe, a brushmaker?—Yes.

1103. In business in Dunedin?—Yes.

1104. How long has your factory been established?—From twelve to fourteen years.

1105. What amount of labour do you employ?—Nine hands at present; the same number as I have had for the last six years.

1106. Your business has not grown, then?—No.

1107. What are the wages earned per week by those whom you employ?—Two of the girls would average, when they are working full time, 14s. a week each; another one working full time would average 19s.; another would average £1 2s.; three men would average £2 8s. each, and two who have served their apprenticeship, and are not long out of it, would average about £1 12s.

1108. Can you give us, roughly, the amount of wages paid by you in a year?—I could not. I can put my answer in writing. I cannot answer the question off-hand. [Wages paid in 1894, £669 8s. 1d.]

1109. Can you tell us about what is the value of the manufactured article in a year?—Say, £2,400.

1110. Now, as regards the quality of the article as compared with the imported article, do you profess to turn out an article equal to the imported article of the same denomination?—Everything is equal. There is common stuff which we cannot make.

1111. But, so far as the brushware you do make?—Yes; quite equal. They could not be told one from the other, except by the colonial wood. In fact, we are using wood that nobody knows the name of, and the purchasers think it imported wood.

1112. Is that because of the prejudice against the imported article?—I find it better to use a wood nobody knows; but if kauri is used I know faults have been found; but that is not very general.

1113. How about price? You say the article you turn out is as good as the imported article now. How does it compare as to price?—There is very little difference, take one thing with another. I said I had been in business twelve to fourteen years. Until the last few years my business was an increasing one. When asked before to approach gentlemen like you I did not do so. I believe if a protective duty is very high it induces men with money and no technical knowledge to embark in the business, and this would push a man out with limited capital. That is the danger I had to fear. If you could insure no great competition protection would answer first rate, and would not hurt the consumer. Some time ago an extra 5 per cent. was put on brushware. I was in a wholesale house at the time, and they said to me, "Oh, I suppose you will be charging us 5 per cent. more for your goods?" I said, "No; what I want is orders for larger lines. If you give me an order for bigger quantities I can do them cheaper. You make your account £20 per month net, and I will give them to you at the same price as now." Although there is an extra 5 per cent. duty now on brushware, my largest customers get a concession of 5 per cent. I hoped to be able to get larger orders from them. I admit that during a particular month from some houses I do get larger orders, but the next month they will send for three, two, and even one brush. I will get orders for twenty, thirty, and forty pounds' worth one month, and the next month or two practically nothing. If I had to go through the same experience again I should never allow 5 per cent. to a customer for buying a larger quantity in a particular month.

1113A. It follows that without the duty of 5 per cent. the imported article could be supplied at 5 per cent. less than you can supply it, but with the duty of 5 per cent. you can supply at the same price?—Yes.

1114. When asked if there was any difference in the price between the imported article and yours you stated that there was very little. Subsequently you told me that when the duty of 5 per cent. was imposed, instead of raising your price, as your customers expected you to do, you, on the other hand, informed them that you would take off 5 per cent. for large orders, which would make it the same to them as if they paid 5 per cent. duty. Therefore, if there was not the 5 per cent. duty, the importers were able to undersell you by 5 per cent.?—There were some lines then and now I cannot make at the imported price; but what I wished you to infer was this, that although the duties were raised they are getting the brushes cheaper with an enhanced duty than when the duty was 5 per cent. less. They are cheaper now.

1115. By how much?—Say, 5 per cent. They are 5 per cent. cheaper to big buyers since the extra duty of 5 per cent. has been on, independent of reduction of price on account of raw material being lower.

1116. Then, as a matter of fact, you have reduced your price 10 per cent.?—No; I have reduced my price 5 per cent. My stuff comes in duty-free.

1117. Very well. Now, we presume you have come to us with some request in connection with the tariff: will you tell us what that is?—I said just now that when I have been approached by other brushmakers to see whether we could not get further protection, they have always stated what Germany was sending out, which I knew to be true. But during the last few years this competition with Germany and England has become very intense to what it was, and a cablegram which has been published since you have been sitting here shows it to be true. The cablegram stated that in order to avert a defeat on the question the Government accepted Mr. Howard Vincent's motion affirming the desirableness of restricting the importation of goods manufactured in foreign prisons. I hold in my hand a reprint from the "Hardwareman" of last March. It was issued as a penny paper to those interested in prison labour. In that you will find that the better class of German merchants will not handle prison goods, and I think the best merchants in this city and colony would not do so if the right pressure were brought to bear upon them. There are good, bad, and indifferent in Germany, as elsewhere, and the better class of people have got at them and said they should not sell prison goods. The better class in Germany have

refused to handle it. The contractor has contracted at the rate of 3d. to 1s. a day for the prison labour, and the Government find everything except tools and materials. You can quite understand that this contractor has to find an outlet for his stuff. If he cannot find it at Home he finds it abroad. They have gone to England, and sell a great deal of stuff there. I do not know how much comes out to New Zealand, but I consider there is a great deal more comes here than is retailed in England, taking into consideration the population. That is increasing, and that is what has brought me here. My hands for the last twelve months have been put on short time, and they are as good hands as a man could have.

1118. You say that a great deal more of this prison-made brushware comes by way of England than direct?—Yes; more comes from England than direct—job lines.

1119. And your first-rate hands have been out of work, how long?—The girls that I think deserve it most get it. There is a girl who needs every penny she earns. I say, "You must only earn 15s. a week." I have to contract the amount I allow the hands to do. Before I went into business my great-grandfather, grandfather, and father were in the trade. I had the necessary capital, and was independent of anybody. Come down any time, and you will see me in my shirt-sleeves. I buy everything direct, and employ no traveller. I do the travelling myself. To-day I go to Wellington. There is no business in this city conducted with less for office management. I do not employ a clerk; I do the clerking myself.

1120. *Mr. Mackenzie.*] Have you no middleman?—I find middlemen the best customers I have—that is, the large wholesale houses.

1121. I mean you do not pay any travellers; you do it all yourself?—Yes.

1122. *The Chairman.*] Your family having been at the trade for four generations, you can work your business on most economical lines?—Yes. Every hand I have has been with me from five to twelve years; and after I felt my feet a bit I felt I should like to give them more wages. But I knew that if I said "You deserve more"—I knew very well I could not take it off again—that is, if competition was so keen, or if I had a year during which I was not selling the stuff. It is not pleasant for a manufacturer to say to his hands, "I have been paying you 1s., but can only pay you 10d." I believe that wages are the last thing, as a rule, that manufacturers do touch. The manufacturers here dare do what they dare not do at Home. For the last six years, instead of raising their wages, I have given to my hands at the end of the year, when taking stock, if my business has paid my salary and the interest on my capital, a percentage upon their wages of from 5 to 8 per cent. I share the profits with them. I have some years paid them 5 and others 8 per cent. In addition to that, I have given the hands who have been with me longest a bonus—not a large bonus: say, £2, £3, and £1—in addition to the percentage. I like a holiday myself, and I know that at Christmas time my hands are glad of a holiday; but when wages are stopped they cannot go and enjoy themselves as when they know the holiday is paid for. I know my interests are conserved to some extent by my doing this. I do not think altogether I lose, although I do not gain as much as if I had men on at so much a day. I believe it is as much philanthropy as anything else.

1123. You complain of the competition principally with prison labour in Germany?—Yes.

1124. And you say the output from the prisons finds its way, by England principally, to this colony?—Yes.

1125. You stated just previous to that that you are able now to supply brushware, and do supply it (including this 5 per cent. allowance on large contracts), at prices as low as the imported. Do I understand that you include in that imported article the prison goods?—No; that is what is making my own trade stand still.

1126. You mean by imported article the article made under ordinary trade conditions at Home?—On most lines; not on all.

1127. With regard to the articles made in the prisons, to what extent do they affect the price? For instance, supposing a brush that would cost 2s. made at Home in an ordinary brush-factory were placed in the market, and which you say yourself you can produce for 2s. also, if that article were from a German prison, at what price would it be placed in the market?—I have reckoned it up, and I find that in Germany they would pay 7½d. for what I pay 7s. here for. That is the fact.

1128. Is that anything like a fair sample? Is it a fact that prison-made goods cost only about one-twelfth of the cost of the free-labour goods?—That book [handed in] says that they pay the men 3d. to 1s. a day. Now, here I try to pay my workmen 8s.; some of them make more than that, and some do not make so much. I want to make 8s. a standard wage.

1129. This is important information, and I want you to be as accurate as possible. I want to find what is the difference, if you can give it to us, between the price of the prison-made article—the average price landed here—and the article made here or landed here in the ordinary way. You have given one instance of the difference being twelve to one?—I am taking that as a basis. I cannot get at it in detail. Sevenpence halfpenny a day is the average wage paid in the German prisons.

1130. Your answer is that, calculating on the amount paid for prison-labour, the article can be supplied at about one-twelfth of the cost of the article made by free labour?—You can see what it is if the average prison wage is 7½d., and I pay 8s. a day here.

1131. What proportion does the labour bear to the cost of the completed article?—That varies very much. In my business we use bristles that cost 6s. a pound for some jobs, and others that only cost 1s. We use a lot at, say, an average cost of 4s. We also use a lot that would cost only 1s.

1132. What would be the average?—I could not make a statement off-hand, the business varies so much. Unless I made a calculation, I could not do it.

1133. If you were to calculate the value of your output, and what you had paid for the labour, then the remainder is the cost of the material?—I could do it at home in a minute.

1134. And you would be able to state the proportion of labour to the cost of the completed article?—Yes.

1135. *Mr. Tanner.*] Your statement about wages totals up to £650 a year, if your hands are in full work?—Yes, if they are in full work. That includes nothing for myself.

1136. Would it be fair to say that under ordinary circumstances, with plenty of work going, you would pay £800 a year?—Yes.

1137. *The Chairman.*] I want the witness, if he can, either now or when he corrects his evidence, to put an answer to this particular question: What relation, taking it over all, does the labour bear to the material? If he could give us that, by taking the value of the output and the value of the material and labour used for that output, we could ascertain how far this difference of price between prison labour and free labour affects the question?—At home, I can answer that question easily in two or three minutes. Taking the Government statistics, I find this prison-made material in brooms and handbrooms comes under that heading in many but not in all invoices. The statistics supplied by the Customs are very misleading. I do not mean that anything escapes the Customs in the way of duties, but they are put under wrong headings. Take one year for bristles. In the year 1893 there were supposed to be imported into this colony, according to the Customs statistics, only 50lb. weight of bristles, supposed to be worth £10, an average of 4s. a pound. I imported hundredweights myself, but that would be included in "brushmakers' materials." In the year 1889 there were 2,159lb. weight of bristles imported, value £200; in 1890, 788lb., value £167; in 1891, 1,372lb., value £128; in 1892, 881lb., value £149; and in 1893, 50lb., value £10. If you are going by Customs statistics, they are very misleading. What I imported would be included under the heading "brushmakers' materials." If you look at 1893, brushmakers' materials are 4,050lb. In 1889 they were 3,100lb.; in 1890, 3,775lb.; in 1891, 4,808lb.; and in 1892, 3,382lb. Now, what I am specially here for, is this, which affects us brushmakers very much. "Brooms, imported," means something more than brooms. It does not mean these American brooms. That broom comes from America, and, I believe, some from China and Japan, but practically none come from Europe.

1138. None from Italy?—I do not think so. I have made inquiries in the city, and find that the brooms used in Europe are made in a different way altogether to the American. I do not think any corn brooms come from Europe. If they do they are but few.

1139. *Mr. Hutchison.*] They might come from Italy *viâ* England?—I say from Europe: that would include Italy as well. The brooms imported from the United Kingdom and Germany in 1889 were 774 dozen, of the declared value of £596; in 1890, 256 dozen, £191; in 1891, 623 dozen, £480; and in 1892, 1,043 dozen, £733. Now, during the year 1893, which is the last year for which I have statistics, and I think the latest published, there were imported 2,683 dozen of brooms, value £1,259. No wonder at my hands standing still. Now, sir, as I said just now, statistics you can get to prove almost anything, but I have come to make out a good case if I can. I can assure you I have put the thing as honestly as I can.

1140. *The Chairman.*] You show, then, that there is a very large increase in the importation of this particular class of article?—Yes.

1141. Are there any other articles the duty upon which you wish to see increased in the same way?—No; because there is other brushware imported from Germany and England which we cannot touch. They do come in, in increasing quantities, but not to the extent brooms do.

1142. Now, is there any other item?—We manufacturers here have got the whiphand of the trade in this way: We perhaps can make a new article and take it to the wholesale houses, which I have to do. Samples of it have been sent to Germany to get them produced cheaper. If I had to sell one pound's worth of stuff here and there I should be in the Bankruptcy Court in a short time. It has to go to the wholesale warehouses.

1143. What is it that you ask in view of the grievance of which you complain?—I cannot see how you are going to separate the German-made stuff from the English-made stuff. It seems to me the only way to meet the difficulty is to put an extra duty on it. The present duty is 20 per cent.

1144. And you ask that the duty should be increased?—Yes.

1145. By how much?—Well, I should say it ought to be increased to that extent that will keep out this article; or another thing which might be very effective would be that all prison-made articles should be stamped as such.

1146. It would not prevent a person purchasing it?—I think we could soon get public opinion to such a state that there would not be many prison-made articles purchased. Our legislators could pass a law and say that every article should be so stamped. That would meet it. We manufacturers here can sometimes introduce a brush, and it takes, but after a time a sample is sent abroad to be made from at a cheaper rate.

1147. You say you cannot see how you can separate German from English goods, and that every article should be branded?—Yes.

1148. Then, what amount of increase do you think would be sufficient to effect what you want?—I think it should be prohibitory.

1149. How much would be prohibitory?—When you come to put 7½d. against 8s. a day for labour you want a pretty good duty to meet it.

1150. What do you mean by a pretty good duty: do you mean a duty corresponding to one to twelve—that it must be twelve times the present amount?—I say that prison-made goods should be taxed to such an extent that it could not compete with colonial-made goods. You must fix the rate yourselves.

1151. Can you give an idea what amount of duty would be required? You are an expert, and in the trade; I am not?—If you made it another 10 per cent. it would not be sufficient to keep out a lot of that make. It would help us in other lines. You can see in a moment if you put on

another extra 10 per cent. it would keep out the honest-made goods, but the prison goods would still come in.

1152. What would keep out prison-made goods?—If I am to answer the question at random, then I say put another 50 per cent. duty on it.

1153. *Mr. Mackenzie.*] You are an expert, and we are not. You know the whole facts of the matter, and, being an expert, we depend upon you to tell us what measures will prevent prison-made goods coming in here?—It seems to me a greater cure even than protection would be this: if every article had to be branded "Prison-made, in Germany."

1154. *The Chairman.*] Supposing that there were a difficulty, and this could not be insisted upon and carried out, then you would still have your grievance remaining. And supposing we were in partnership with you, and we all joined in the same view, and wanted to help you, but did not know how, then would you, having the control of the whole matter, put on a duty which would remedy the grievance? How much would you put on?—Fifty per cent. on prison-made goods additional, and 10 on other European makes.

1155. You keep out the artisan-made goods by putting on a big duty, and do not keep out the prison stuff then?—I cannot answer these questions straight out in a word or two.

1156. We ask you for recommendations. You say you think 50 per cent. additional the least you think should be put on prison-made goods?—Yes; but I give another suggestion—that every article should be branded.

1157. Supposing that cannot be carried out, what, then, would effect it?—Then, put 50 per cent. on the lot. We have to consider ourselves, not the people in England or Germany.

1158. Now, supposing the duty were put on as you propose, and supposing it possible to shut out the prison-made article, would you still continue to supply brushware at the same price as now, or, in conjunction with other brushmakers, raise your prices, taking advantage of the large duty?—No; I would not raise the prices; but the chief danger is in reducing prices by making the competition too keen amongst us. The danger is not that the prices will be increased.

1159. With regard to the brooms which you have spoken of, imported from America, China, and Japan, as taking an undue share of the trade, do you want the duty on them increased?—Yes. Manufacturers of brushes at Home, at the instigation of a house or houses here, copy our designs, and send out brushes to compete with the brushes made here.

1160. *Mr. Tanner.*] I am glad to find the witness experiences a difficulty in giving evidence, because it gives him some idea of the difficulties which politicians encounter. You are aware from the statement in the "Hardwareman" that the Commission which was sent to Germany tried by hard work to make a full and exhaustive inquiry into the whole subject. You are aware that Commission reported that in the German prisons German prisoners were working from English models, copying them in forty or fifty different articles?—I am satisfied of that. My own designs have gone to Germany.

1161. You are aware that these goods are shipped from Germany without any distinguishing mark as to what buildings they were made in?—True.

1162. You are aware that they are shipped sometimes by German merchants and sometimes by English merchants?—Yes.

1163. And you are aware that they are mainly shipped to England?—Yes.

1164. And that the English Merchandise Marks Act admits all goods, provided the cases are marked with the name of the country from which they come?—Yes.

1165. There is nothing to discriminate when they land as to whether they are made by prisoners or by free and honest labour?—Nothing.

1166. And you are aware that all these facts were laid before the English Parliament?—Yes.

1167. And that the English Government were put almost into a corner in the House of Commons?—Yes.

1168. And that the English Government at last, during 1894, initiated an inquiry on their own account in consequence of the pressure brought to bear upon them in the House of Commons?—Yes.

1169. And you are aware that when the report of the English Commissioners was made known it practically confirmed all the statements made by the Hardware Commissioners?—I am aware of it.

1170. You are aware that they have got the prison-made goods into the English markets without anything to specify where they were made?—Yes.

1171. These goods, you say, are largely sent to the colonies?—Yes.

1172. You find the proof of it in this, that the goods are sold at abnormally low prices?—I know it in that and in another way about which I cannot inform you. I know that prison work is imported to this place.

1173. You speak of the better class of merchants who would not handle prison-made goods?—Yes.

1174. But how do they know whether they handle prison-made goods or not?—Their agents here do not know it in many instances. The principals may know it at Home, but not those to whom the goods are forwarded. The English agents at Home know. Sargoods know where their goods come from, and all about it; but I do not suppose the hands here would know. But the principal would.

1175. In importing these goods there is really nothing to discriminate when they arrive here as to where they are made?—Nothing whatever.

1176. Skilled men can occasionally ascertain where they have been made, but the knowledge is never conveyed to the outside public?—No.

1177. The outside public only get the cheap articles, and that is all they care about, as a rule?—That is so.

1178. Can you suggest any way by which these articles should be differentiated?—I suggest that every article should be branded, "Made in a German prison." That is the only way in which I can solve the difficulty. I presume New Zealand can pass a law to that effect. You can stop such goods from being imported into this colony, as they can into other countries. I can see a difficulty, however.

1179. You know that the imports have largely risen of late years?—Yes.

1180. And the values have rather fallen?—Values have fallen very much in every line excepting one, in my business.

1181. *Mr. Mackenzie.*] Regarding prison-made goods, could they not be kept out in this way: that the English people should refuse to land any goods from Germany unless the correct history of their manufacture be given in the invoice of the goods imported?—But then you ask the English Parliament to do something that our own Parliament should do.

1182. The English Parliament practically approach that in the Trade-marks Act?—I say that the single brush has got to be imported, marked "Made in a German prison." If the Germans refuse to give the history of these goods it is sufficient for our purpose to exclude their importation. Lots of people who buy the goods know absolutely nothing about them.

1183. This prison-labour question is more than a cry?—Yes.

1184. And you believe that a large proportion of these prison-made goods comes to this colony?—I believe that a larger amount per head comes to this colony than is retained in England.

1185. *Mr. McGowan.*] You have mixed with your trade a certain amount of philanthropy for many years, by giving a bonus in addition to wages?—Yes, for six years.

1186. Do you first, before you give a bonus, add interest to the capital employed?—Yes.

1187. And in the years when employment is not full you ask them to work half-time, and tell them to make a certain amount of wages per week. You are only giving them a certain amount to do. You limit the amount. By that means your hands share in the depression, but you do not share in the depression so far as your interest is concerned: you still take interest before you give a bonus?—Yes. My capital is invested there, and if I find my rough stuff is not manufactured and used I do not import, and therefore there is not the same interest on the capital invested. I do not know many who do as I do. I say capital has to be paid first; and so it has.

J. C. Cameron (D. Benjamin and Co.), James North (Bing, Harris, and Co.), and Robert Turnbull (Sargood, Son, and Ewen) waited upon the Commission.

(**40.**) J. C. Cameron examined.

1188. *The Chairman.*] I think we have summoned you all in connection with the same matter. It has been represented to us by a member of the Commission that you gentlemen, having had a great deal of experience in the matter of passing Customs entries, and so on, would probably be able to give us some suggestions, and to state some facts which may be of use to us in making our recommendations to the Government. That, I believe, is the case. Now, Mr. Cameron, will you state what your experience has been, or what line of business you have been connected with, so that we may see what business we are going to deal with?—I have been connected with jewellery and fancy goods and general merchandise, outside of soft goods.

1189. Now, in your experience you must have found certain things cropping up in connection with the Customs tariff which it may be worth while for us to know?—First of all, I would call attention to the preface to the tariff, in which it is said, on page 19 of the tariff, "It should be noted that, while all items in the tariff are fixed by law, and are unalterable, a Commissioner's decision is subject to revision on production of evidence sufficient to satisfy the Commissioner that it is not in conformity with the tariff." The first point is, that the items, as fixed by statute, are unalterable; and what we have to complain of are the anomalies which are instituted by the decisions of the Commissioner. To instance one or two lines, I will take the question of glassware, which is set down in the tariff baldly at 15 per cent., without any reservation as to what kind of glassware it shall be; but the Commissioner says fancy glassware shall be so-and-so. It is left to him to say that fancy glassware is not glassware, and it is brought under the definition of fancy goods. It is left to him to decide which is fancy and which is not fancy glassware.

1190. And you complain of the inconvenience of this discretionary power to declare what is glassware and what is fancy glassware?—Yes.

1191. Then, the inference is that you suggest all glassware should be treated as one?—Yes. We are not particular as to the question of duty, but we consider all glassware should be treated as one. The next point I have to refer to is masonic aprons. They are charged as apparel. We contend they are fancy goods; certainly not apparel. On page 22, decision 305, there is a decision I have been trying to get an explanation of, but have signally failed to do so. It is "Fittings for, and not being portions of, musical instruments." I have tried unsuccessfully to get at the definition of what are "Fittings for, and not being portions of, musical instruments." I cannot get any explanation of it.

Mr. Glasgow: I will give an explanation of it. Item 185 of the tariff reads thus: "Musical instruments—namely, organs, harmoniums, and pianofortes, and parts of either (except action-work not made up)—20 per cent. *ad valorem.*" The Commissioner has power to admit free articles and materials to be used solely in the manufacture of goods in the colony, and under that heading he has made parts of musical instruments free—that is to say, hammers of pianos, keys, wire, sticks, and felt, for making the interior of pianos. But if a part of a piano is imported made and put together, and ready to be put into the instrument, it would be charged with the duty.

Witness: I do not refer to pianos at all. I take it in a broader sense.

Mr. Glasgow: That was the intention. It was in connection with pianos the Commissioner's order was made.

Witness: I have got notes with reference to mouthpieces for cornets, reeds, bagpipe-reeds, &c.

Mr. Glasgow: They are not materials for the construction of cornets.

Witness: What we wish is simplicity, to avoid all these anomalies. The next point is on page 22, No. 310 decision, "Drills for lining boots and shoes." Into that is imported the decision "checked or striped."

1192. *The Chairman.*] Are any of these drills (I do not know the article particularly well) suitable for any other purpose—that is to say, if imported in the piece, could they be used for boys' clothing?—The firm I import for certainly would not and could not use them for such a purpose. It occurred to me there might be a possible explanation of it. They are two different lines. One is much heavier and coarser than the other. Of course, you could make a boy's suit of leather.

1193. They are all specified as free here?—Yes.

1194. Do you object to their being free?—I object to the definition being made as to "checked" or "striped." There is a new decision with regard to that lately made: they are excepted.

Mr. Glasgow: This is not a question of the tariff. The Commissioner decided, under his powers, to make boot-drills free. At that time the only boot-drills known were plain drills. Recently checked drills have been used for boot-lining, and the Commissioner does not think it desirable they should be admitted free. If the Commission is going to discuss everything the Commissioner has done it will be an endless matter.

Mr. Tanner: I am perfectly acquainted with the circumstances. The tariff had not been long framed before representations were made by the Christchurch manufacturers which led to the decision by which drills for lining boots were placed on the free-list. In about 1889 or 1890 a new kind of drill was introduced, which is striped or ribbed, sometimes varie-coloured, and that has led to the decision.

Mr. Glasgow: The Commissioner was advised that the material should not be admitted free. We have good grounds for that.

The Chairman: We will take it from witness that he objects to the checked being omitted from the free-list.

Mr. Glasgow: What we want to get at is simply whether they should all be dutiable or free. It is entirely a concession to the boot-making trade by the Commissioner, who might not have made it if he did not choose to do so.

Witness: Then, at page 25, decision 305, there are "Billiard-tables, and parts of, as furniture, 25 per cent." I do not object to billiard-tables so much as to balls, fittings, cue-tips, and other lines which are put down as furniture, and charged 25 per cent.

1195. *The Chairman.*] What is your objection to that?—My objection is that billiard-balls, &c., should not be charged as furniture. If charged at all, they should come under the heading of games and toys, and things of that description.

Mr. Glasgow: I think the principle that has guided the department in dealing with things of this kind is to charge all parts of a dutiable article at the same rate as the complete article. A billiard-table is not complete without balls, cues, &c.

Witness: And, as against that, one billiard-table will outlast a very large number of cue-tips, balls, and cues.

Mr. Glasgow: I think balls and cues are necessary parts of a billiard-table, and should be dutiable at the same rate.

Witness: I contend if a billiard-table can be called furniture, you could not call a ball, a tip, or a cue furniture.

Mr. Glasgow: There are billiard-tables which are also used as dining-tables. They are furniture. The department considers itself justified in classifying these things as furniture.

Witness: The next item to which I wish to draw attention is on page 28 (decision 389), "Bottles, cut-glass stoppered, empty, as empty bottles of all kinds, free." And then, "Bottles (containing perfumed spirit), when of cut, ground, frosted, etched, or ingrained glass, as glassware n.o.e., 15 per cent." A bottle when empty is to be admitted free, but if full of perfumed spirits you have to pay £1 1s. per gallon for the contents, and an extra duty on the bottle itself.

Mr. Glasgow: That, of course, is also a matter of decision; it is not really the tariff. It was certainly never intended that fancy cut-glass bottles should be free. The intention was to admit free beer-bottles, lemonade-bottles, and common bottles of that kind; but costly bottles used by ladies for perfumery are really glassware.

Witness: Decision 389 is later than the decision charging for perfumed spirits.

Mr. Glasgow: This bottle is imported by Sharland and Co. and the New Zealand Drug Company. It has a cut-glass stopper; but the bottle itself is not a cut bottle.

Witness: Then, on page 99 (decision 397), there is "Watch-bows, as parts of watches, 20 per cent." We contend that these are parts of watches which are not parts, which have been taken apart in order to evade the duty.

1196. *Mr. Glasgow.*] What would you say about watch-cases? Would you admit watch-cases free?—I am only calling attention to the anomalies.

1197. You say that parts of watches not taken specially apart for the purpose of evading duty should be admitted free?—Yes. The next item is crucibles, at page 40. They are charged duty. We contend they ought to be free. They are used by every jeweller and goldsmith who melts an ounce of gold. They are ordinary crucibles, made out of a kind of sandstone.

Mr. Glasgow: This kind of crucible is made of earthenware, and is not considered an artificer's tool, and is therefore charged duty.

Witness: These crucibles should be admitted free, as artificers' tools. The next item I have is on page 58, reading together decisions 381 and 305, with regard to inkstands. If a wooden inkstand is held to be stationery and another inkstand not stationery, I do not understand it.

Mr. Glasgow: That points to the desirability of making stationery, fancy goods, and glassware the same rate.

Witness: Yes; that is what we want. Then, there is the question of snuff-jars, on page 60, decision 305. Snuff is defined by statute to pay 7s. per pound. It has been imported as long as I can remember—for at least thirty years. Taddy's is imported in 3lb. jars, and the decision came later that you were not to pay 7s. a pound, but 7s. and 20 per cent. duty on £1, said to be the value for the twenty-seven jars in a case. These jars are not glass. They are not useful for anything else.

1198. *Mr. Glasgow.*] Why not?—I have had a very fair experience, and have never seen them used in any private house I have ever been in. The snuff is so ingrained into the jars that it is very difficult to get it out. The next thing is white tissue paper, on page 73, decision 305. I do not see why that should be all the same, whether coloured or white.

Mr. Glasgow: There is a tissue copying-paper that would be too good for wrapping purposes.

Witness: That is quite right; but the ordinary white tissue used for commerce should be o.k., 5s. a hundredweight. You can copy on a coloured tissue paper just as well as on a white tissue paper. The next thing is on page 101, decision 318, "Wooden rollers for window-blinds, as furniture, 25 per cent." Wooden rollers as furniture is an anomaly. They are either wooden-ware or hardware, but certainly not furniture.

1199. *Mr. Glasgow.*] How can they be classed as hardware?—Because they have got a spring inside, and are used for window-fittings. The wooden part of the roller has a spring. Then, there is the charge on packing-cases. As far as I understand, it is not charged in any other of the Australian Colonies, and we think it an obnoxious tax. The intention of the 10 per cent. was to admit packing-cases free.

Mr. Glasgow: The addition of the 10 per cent. was intended partly to meet the difficulty in connection with statistics. If we allowed duty to be paid *ad valorem* on the invoice value, then another value would have to be stated, showing the landed cost for statistical purposes. That would be a very great inconvenience, of course, to large importers.

Witness: The 10 per cent. is about the value on the invoice to bring goods from Home, and if you pay duty on that amount we contend that the casing should be free. It is so in New South Wales and Victoria.

Mr. Glasgow: It is not so in the United States and Canada.

Witness: Then, as to the question of stamping tobacco, cigars, cigarettes, and snuff, we contend that is useless. It is no safeguard to the Customs against smuggling, and it is simply an annoyance and expense to importers.

(41.) James North examined.

1200. *The Chairman.*] The Commission would like to hear any suggestions you may have to make in connection with the business you are engaged in at Messrs. Bing, Harris, and Co.'s?—Well, sir, referring to the soft-goods business, the great item we have a lot of trouble over is coloured cotton shirting in the piece, on page 40, decision 468. On various occasions we have to open cases. In fact, we have to open cases, and are required to pay duty on three or four pieces taken out of the case, the balance being admitted free.

1201. Then, you complain that some of them are charged duty?—Yes; although they are the same class of goods. Then, as to laces and lace-goods in the piece, on page 61, decison 307: we are called upon to pay 25 per cent. on so-called silk lace, veiling, nets, crapes, and trimmings having a portion of silk in them. It would be far simpler if all were brought under one heading. A broader term would save trouble in passing entries, and so on.

1201A. *Mr. Glasgow.*] What remedy do you propose?—Take them all under one heading, and make the line broader and wider. There are imitation Astracan trimmings, 20 per cent., and imitation beaver trimmings, 25 per cent. Silks, ribbons, and velvets would be 25 per cent., and all other goods 20 per cent. I think that showed the interpretation which was put on the Act when it passed through the House. I do not think it was intended for crapes, nets, and common lace to bear this duty.

Mr. Glasgow: It was found that crapes entirely of silk were being imported at 20 per cent., and the department was forced to the conclusion that in accordance with the law these articles should necessarily be charged 25 per cent. duty as silks. That being so, all laces used also as dress materials were treated in the same way.

Witness: It seems very troublesome to define laces that cost 1d. a yard. Then, Japanese brackets and cabinets are charged as furniture (decision under fancy goods, 20 per cent.). We are called upon to pay for these 25 per cent. They are really only fancy ornaments, not of any practical value as furniture.

Mr. Glasgow: There are tables, screens, and other things of that kind.

Witness: You would not call a bracket or a toy cabinet furniture. We have a bias velveteen binding which has been passed for the last six months free. There is a circular issued to say we are to pay 20 per cent. duty on it. This line is made free for six months, and then, without any notice or warning, we are called upon to pay 20 per cent. duty on it. If a line is free, it should be free entirely. Looking at it, surely the Customs authorities can make up their minds to have it free or not. When lines are being imported freely they make us pay 20 per cent. duty. Hosiery n.o.e. is 20 per cent. We have a lot of trouble with knitted shawls; certain sizes are 25 per cent., and certain other sizes 20 per cent. We think this might very well be omitted, and hosiery made to cover all woollen and knitted goods, irrespective of size. Fancy braids for trimmings are charged

20 per cent. I think these should come in with all trimmings and trimming-braids at 20 per cent.; but binding-braids should be admitted free. I think I have now pretty well exhausted my list of anomalies, &c.

(**42.**) ROBERT TURNBULL examined.

1202. *The Chairman.*] Have you anything to suggest, Mr. Turnbull, in addition to what has been advanced by the last two witnesses?—I think Mr. Cameron and Mr. North have pretty well exhausted the subject. I concur generally in their representations. If the Commissioners have any questions to ask, I shall be only too pleased to answer them to the best of my ability.

1203. *Mr. Mackenzie.*] I would like to get your opinion on the framing of a tariff. The most of these complications have arisen, do you not think, from having too many rates?—Yes.

1204. Then, how many rates do you think, from your experience, ought to be levied upon all classes of drapery?—I would have three rates—free, 10 per cent., and 20 per cent.

(**43.**) JAMES HORSBURGH examined.

1205. *The Chairman.*] I believe you are in the bookselling, publishing, and stationery business in Dunedin?—Yes.

1206. You have been in business for a good many years?—Sixteen years.

1207. I suppose you have to bring something under our notice in connection with the tariff?—Yes. Since the Government introduced the duty upon copybooks I started this series produced. I spent about £500 on their production, and of course I need not point out to you that a good many years will elapse before we can get a return. I wish the Government would still retain the duty, which is quite sufficient for our purpose. I ask that the *status quo* be maintained. We have not increased the price one iota to the children by the production of these copybooks.

1208. Do you supply them as cheaply as the imported article?—Quite as cheaply.

1209. As a matter of fact, has the Education Board taken them up?—It is a matter of time; they have only been finished about six months. It took me eighteen months to prepare them, because one man had to undertake the whole of the engraving.

1210. Would it not meet your purpose if you could show the Minister of Education that they are as good as the imported, and that you can supply them as cheaply, thus securing control of all the schools of the colony?—It is very difficult to move Ministers in that direction. A Minister has no absolute power over the Education Boards. I know several Education Boards have adopted them.

1211. You ask that the duty be maintained in order that you may not be undersold?—Yes; in fact, that I may get some return for the money invested.

1212. Then, you would be undersold if the duty were taken off?—Yes. I only charge so much per year against the book to reduce the initial cost. I would not have started the industry but for the 25 per cent. being put on. Therefore, it is a matter of good faith that it should be retained. The same thing applies to our own drawing-books and also exercise-books.

1213. Does the cost of bringing out that copy-book include those also?—No; it is a different thing altogether.

1214. What did it cost to bring that out?—The drawing of these on the stone cost, in the first place, about £150. These have had a very large sale throughout New Zealand. It would cost me about the same sum to introduce these as it cost to introduce the copy-books.

1215. Do you get a good sale for them?—Yes, a very large sale. In fact, we have sold hundreds of thousands.

1216. Have you to compete against the English article?—No; because there is a duty to prohibit them.

1217. Is the article produced in England of a similar kind?—No. When Sir Robert Stout was Minister of Education he prepared the drawing-lessons to be given by the different schools. There was no English book to supply the market, and we supplied it. If there were no duty on it, the chances were that some English publisher might take it up.

1218. You claim, on the same ground, that you should be given a fair chance?—Yes.

1219. And then, as to exercise-books, the same thing applies there?—Yes.

1220. Now, does that embrace the whole of the subjects you wish to bring before us?—Yes.

1221. What is the extent of the labour that is given by this sort of work?—In the engraving of these series of books I had one man specially employed, and it took him eighteen months to do it, at £5 a week—that is, the copy-book.

1222. What I want to get at is this: Now you have the plant, machinery, and everything ready for the production of these books, what is the amount of labour given in the production, printing, binding, and in every way?—Well, I should say that we print 5,000 of each number at a time, and we have sold within the last twelve months probably 20,000. The annual value of the three together, counting the total output of drawing-books, copy-books, and exercise-books, comes to about £500. It is a very large item in my trade.

1223. What amount of labour is involved?—There are one man and two boys always at the lithographic machine, and from there the work is taken to the binding shop. That employs one woman and perhaps two girls.

1224. For that amount of output you give employment to six employés?—Yes.

1225. How much do the lithographers earn?—£3 a week is the average; the women about 14s., and the girls perhaps 10s. or 12s. 6d. The two boys get £1 a week each for feeding and taking off the machine. They must be rather experienced boys to feed a lithographic machine.

1226. You say you have the control of one item almost entirely—that is, in connection with drawing-books?—I think Mr. Willis, of Wanganui, and myself have it between us. We supply the whole colony.

1227. Then, if you turn out as much as Mr. Willis does, you would have control of half the entire output?—Yes.

1228. There can be no extension of the labour except as regards the increase of children employed?—No.

1229. With regard to the other two items in which you compete with the imported article, what proportion of the business in the other two items comes to yourself and Whitcombe and Tombs?—I should say one-fourth.

1230. Then, if you could obtain the whole control of the remainder, you could treble your present output?—Yes; in all probability. It would double the amount of labour.

1230A. Then, there is room to treble the output in the copybooks and exercise-books?—I take it, very nearly so.

1231. These writing-books are still being sold as low as the imported?—Yes; we supply them to teachers and the trade at quite the same prices as they can import them.

(44.) G. S. Lintott examined.

1232. *The Chairman.*] What is your present business, Mr. Lintott?—I am a maltster and brewers' agent.

1233. How long have you been connected with that business?—About twenty-eight years.

1234. You are now in business in Dunedin and Oamaru?—Yes.

1235. I presume you have something you want to say to us in connection with your business?—I wanted to call your attention to the heavy duty which is now charged on caramel (burnt starch), which amounts to 100 per cent. The duty is 3d. a pound; and the cost of the article itself is only a trifle over 3d. per pound. It is also used for confectionery. I am the sole agent for a firm at Home. The duty is just about the same as the value of the article itself.

1236. Can it be made in this colony?—I dare say it could be, but it would not pay, except on a large scale. It is not made in the colony.

1237. And probably would not pay, on account of there not being sufficient demand?—Yes.

1238. Is it a necessary article to any industry?—Yes; brewers, confectioners, and cordial- and sauce-makers have to use it.

1239. Is it, as a matter of fact, a deleterious ingredient?—Not in any way. It is used by brewers instead of a certain quantity of black malt. It is to some extent a substitute for it. It improves the flavour of porter and stout.

1240. What is the consumption?—It is only used for stout-brewing. The consumption is very small. There is no brewery here which uses more than, say, a hundredweight in three months. It is not a very serious matter, but there must be some mistake in the amount of duty charged upon it. Sugar is used by brewers, and there is only ½d. a pound on it; and why this other ingredient should be 3d. a pound I cannot understand. It is not used as a substitute for malt to increase quantity or gravity of beer. Sugar is much more a substitute for malt.

1240A. *Mr. Glasgow.*] We are advised that it is used as a substitute for malt?—I can prove there is no strength in it; it is merely colouring-matter.

1241. *The Chairman.*] Is there a danger, if the duty were reduced and the article cheapened, that the brewers would take to using it in place of malt?—No, certainly not.

1242. It it not a fact that it is much dearer than malt?—Yes; malt is much cheaper. It is not a substitute for malt, being used for colouring purposes only.

1243. Supposing it were, is not the malt so much more expensive?—No. Malt is much cheaper than this; but you are obliged to use some of this. Malt is only about 5s. a bushel. There can be no possible temptation to use this as a substitute for malt. It could not possibly be used, on account of the price. There is a mistake somewhere, and some reason for it, in connection with the duty upon this article.

1244. *Mr. Tanner.*] You state the duty is equal to the value of the article?—Yes; the value of the article is slightly, very little, more than the duty.

1245. It is more according to the returns. Caramel is given as being imported to the value of £193, and the duty is not more than 30 or 40 per cent.?—When I gave you the price I deducted my commission. The 3d. a pound is about the net amount it costs me in the colony.

1246. You do not import it direct, then?—I always import it direct.

1247. *The Chairman.*] You cannot account for the fact that the duty collected only amounts to one-third of the declared value?—Liquid caramel is only charged 20 per cent. I use the solid caramel.

1248. Are both used?—Yes; in some cases one is preferred to the other.

1249. *Mr. Glasgow.*] The caramel charged 20 per cent. is simply a colouring-matter?—And the prepared caramel is simply a colouring-matter, too.

1250. Our information is different to that. I may say that the department recommended the Governor to declare this article subject to duty as a substitute for malt, and this action was based on a good deal of information that was supplied to us?—Based on a circular the firm I represent issue. Glucose is a substitute for malt, and there is a duty of 1d. a pound upon it. Sugar is also a substitute for malt, and it pays a duty of ½d. Quite as much, rather more, of the liquid than the solid caramel is used. It suits me better to get it out solid, because the freight is less.

1251. We have an expert brewer in the department, who has advised the department?—I am an expert brewer, having served my apprenticeship at Burton-on-Trent. I came out here as a scientific brewer twenty years ago, and I put my opinion against the opinion of your expert.

Mr. Glasgow: If proper evidence were supplied this would be altered.

1252. *Mr. McGowan.*] Is it not a fact that, instead of using caramel, brewers have used burnt flour?—Never to my knowledge.

1253. *Mr. Stevens.*] Could this article be manufactured in the colony?—It could, no doubt; but the amount used is so small as not to pay for the expensive plant which it would be necessary

to fit up. The consumption is very small. I should think there are from 3 to 5 tons in the year imported into the whole colony.

1254. *The Chairman.*] As you have challenged the information of the Customs expert, might I ask what is the weight of a bushel of malt?—40lb.

1255. What is the value of a bushel of malt?—At the present time, 5s.

1256. Supposing that caramel were used as a substitute for malt, how many pounds of caramel would be the equivalent of a bushel of malt?—I deny altogether that it can be used as a substitute for malt. From 2 to 2½ bushels less black malt for colouring purposes would be required in a 20-hogshead brew if you used caramel.

1257. Then, you would effect a nominal saving of about 7 per cent.?—No, you would save nothing; in fact, it would be the other way, accounted for by the difference between the price of the caramel used and the black malt saved. The caramel would simply alter the flavour of the stout, but the same quantity of pale malt would be used.

1258. So that in using it there is a loss incurred?—If anything, brewers are on the losing side by using caramel; but it alters and improves the flavour of the stout. By the use of caramel there is a loss incurred of from 2s. to 2s. 6d., possibly more, in a brew of 20 hogsheads, but it improves the flavour.

(**45.**) Robert Anderson examined.

1259. *The Chairman.*] What are you, Mr. Anderson?—I am a journeyman stone- and marble-cutter, and I have come here to represent the operative masons.

1260. Have you been appointed as a delegate?—Yes.

1261. Have you a society in Dunedin?—We had a society, but most of the men are away on the railway. We are not exactly organized.

1262. By whom were you appointed?—By the masons, who came down and requested me to wait upon the Commission. I am requested by a number of workmen in our own trade to interview the Commission.

1263. You, then, say you are a stone- and marble-cutter. Have you followed that trade for a number of years?—For a lifetime. I have been about thirty years in Dunedin.

1264. We apprehend you wish to represent something to us as affecting your industry?—I have been in the monumental line for the last twenty-five years. Formerly, before the importation of this Italian manufactured marble-work, there were four yards in operation in Dunedin, employing three or four men each besides apprentices. They were employing from two to four men in each yard, besides two apprentices each.

1265. And at the present time how many yards are in operation?—There are still four yards in operation.

1266. How many men do they still employ?—The largest yard in Dunedin is employing only one tradesman; and the others are employing none, except the proprietors themselves.

1267. So that the difference now is that five persons are employed, whereas previously there would be twenty?—Yes. Before the importation of marble all the cemetery work was done from New Zealand stone, and that employed the local men. Now there is nothing to do to this imported marble-work but to put a few letters on the stones. The use of New Zealand stone formerly gave employment to quarrymen, carters, and so on. This has all now ceased.

1268. How many quarrymen and carters did it keep going?—Some stone came from Port Chalmers and some from Oamaru. It mainly came from Oamaru. It employed ten or a dozen men as quarrymen and carters.

1269. And there are now only five men employed altogether?—Yes. We have got mountains of marble and granite, and some of the finest stone in the world.

1270. You attribute this diminution of employment to the importation of Italian goods?—Yes.

1271. Now, what do the Italian goods so imported consist of?—Marble entirely.

1272. You say that the Oamaru stone you used twenty years ago has been displaced by this Italian marble?—Yes.

1273. And Oamaru stone is the cheapest to quarry in the country?—Yes. There is no cheaper stone to quarry and work in New Zealand.

1274. Now, then, if that is so, what is the price the Italian marble is imported at? It must be imported at a very low price?—I had the management of the yard, and I know the different prices; and I can assure you that some years ago, before the duty was raised upon the imported material, the monuments were actually sold at a higher price than they were after the duty was raised.

1275. You say the Italian marbles have displaced all the stones of New Zealand?—Yes.

1276. You say the Oamaru stone is the cheapest and the easiest worked; and I ask you now what is the relative price of the marble now imported and the Oamaru stone? What can you get the latter for, delivered here at per cubic foot?—About 7d. or 8d.

1277. It costs about 6d. at the quarry?—At some quarries 3½d.

1278. What is the lowest-priced marble that comes from Italy delivered here—the manufactured material?—About £2 10s. or £3 a slab. They run into a considerable amount. There are different designs, and it depends on the amount of work upon the stone. A 3in. thick Italian slab, say about 11ft. superficial, and round or gothic at the top, you would get for about £4, delivered.

1279. That is, irrespective of any lettering or carving?—That is done afterwards.

1280. What would a slab of Oamaru stone of the same dimensions and design cost?—About 15s. or £1.

1281. And yet the Italian stone, at four times the price, displaces it?—Yes.

1282. Then, as regards granites, your complaint is principally against the cheap Italian work?—Granite we could not well go into here, because there is not sale enough to put up the expensive machinery required. There is not enough sale in New Zealand to justify a man fitting up expensive machinery to do it.

1283. You know we have good granite here?—Yes; mountains of it.

1284. And also marble?—Yes.

1285. Well, then, in the event of anything being done which would have the effect of keeping out this Italian article which competes with you, what would be the stones you would be working up for monumental purposes?—We could use our own marble, Waikawa (West Coast) sandstone, and Ashburton (Mount Somers) freestone, splendid stone for monumental work.

1286. The Mount Somers is an article very similar to Bath stone?—It is a little harder.

1287. Now, supposing you were to make an article measuring 11ft. superficial out of any of these three stones, what would it cost?—Mount Somers stone would come next to Oamaru stone.

1288. What would be the cost of a stone of the same size from Mount Somers?—It would cost from £1 2s. 6d. to £1 10s.

1289. Even that could be done now?—Yes.

1290. You could still supply a tombstone at £1 10s., as against Italian at £4, which takes the market?—Yes; the stones they used to make from Oamaru stone got black, green, and dirty. People did not like its appearance. But if one knew how to treat them, and gave them a coating of oil and white lead, they would last as long as marble.

1291. Ought not the stone to be ripened when taken out of the quarry before it is sent to you to be set up?—No; that is not necessary. Sandstone and nearly all freestone wants to be set in the same position as it lies in its natural bed.

1292. It was contended that the stone requires to be cut out, and in the same position as it lies in the quarry?—It must be built the same way as it lies in the quarry, particularly sandstones. Sandstones and limestones are formed differently. The limestones grow, and the water forms the bed. There is no actual bed in Oamaru stone.

1293. Then, as regards sandstone, it has to be placed in the same position perpendicularly as it stands in the quarry?—Yes, on its natural bed.

1294. For the want of attention to these matters, the local stone has got into disrepute?—Yes; there is not a mason working it in the town.

1295. There is no reason why, if proper precautions were observed, the Oamaru stone would not answer for this purpose?—None whatever.

1296. Have you ever been in Oamaru?—Yes.

1297. Do you know the Thames Street bridge?—Yes.

1298. Do you know that the stone used in its construction is Oamaru stone?—Yes.

1299. How long has it been in that bridge?—Thirty years.

1300. It is harder now, is it not, than the day it was put there?—Yes; all limestones get harder with age.

1301. Therefore, it is not true that the stone will perish if proper conditions are observed?—No.

1302. Nor get discoloured?—No; not more than any ordinary stone.

1303. Then, under these conditions, you say that with proper treatment both Oamaru and Mount Somers stone are capable of making satisfactory monuments? Yet, in face of that, Italian marble is preferred?—People have a prejudice against Oamaru stone through its going black and dirty.

1304. Italian marble would last longer than Oamaru stone?—Yes; because one is a crystallized limestone and the other is not crystallized.

1305. I am now referring to several generations?—The marble will last for ages.

1306. You have not had experience and time to say what the local stone would do?—No.

1307. You attribute the disuse of the Oamaru stone, although the price of the Italian is three or four times as much more, largely to prejudice?—Yes. I am not against marble, but I am against marble being brought here ready worked.

1308. Your principal complaint is that the marble is admitted at too low a rate of duty ready worked, as being against the interests of labour in the colony?—Yes; greatly. The duty at present is 20 per cent., and the rough stuff 5 per cent.

1309. Are you under the impression that if the duty were raised people would revert to the local stone?—Well, partly so; and another thing, I believe if the duty were raised to double the present rate on the worked marble there would be no difference in the price, because the profits are some 200 or 250 per cent. If the duty were raised to 60 per cent. it would stop a good part of the importation.

1310. And if it were stopped, what additional amount of labour would it give?—Say, twenty-five men to make all the monuments sold in the four different yards in Dunedin alone, where now there are none. Christchurch is better. There the yards generally do employ one man each, besides apprentices.

1311. You ask that the import duty be raised to 60 per cent.?—Yes, to a prohibitive duty; or let the rough stone come in free.

1312. What would you consider a prohibitive duty?—50 or 60 per cent. would help, but it would not be a prohibitive duty. I know from experience that monuments which cost £8 to £9 in Italy (add freight and duty to them, bringing it up to £12) have been sold at from £25 to £30, without the lettering. That will show you the enormous profit they have on the imported stone.

1313. And do you mean to say comparatively poor people will pay £30 for a monument when they can get one which will last well for the sum of £1 10s.?—They do, because they do not know better, unless people have had some experience in quarries; they come in and ask the price, and say, "We will take that." They make no further inquiries.

1314. You think that 60 per cent. would be a prohibitive duty?—It would help a great deal. I want it almost prohibitive, to give our men employment to work stone, instead of men in Italy, which gives nothing to us. Thousands of pounds have been sent to Italy, and we have never received a farthing return for it.

1315. *Mr. Stevens.*] I think you said that Oamaru stone was worth 7½d. per cubic foot?—7d. or 8d., delivered in Dunedin.

1316. There was a Mr. Fraser who gave evidence before us, and who said that the Italian stone was sold at per superficial foot?—That all depends upon the thickness. Say it is a 3in. slab, that will be measured superficial; but if we want a rough block we measure with cube.

1317. Have you ever worked any of the Caswell Sound marble?—Yes.

1318. And you consider that a good marble?—Yes, as far as they have gone into it; but the quarry has never been thoroughly opened. A company made a sort of a start at it, but there were no experienced men connected with it, and it fell through. But I can tell you there is a bust of the late Dr. Stuart made in Munroe's yard, and is yet there, and if it is fit for a bust it is surely fit for a monument to stand in a cemetery. I am an experienced digger. There is what we call black sand in the marble, or little steel ticks. That is the only drawback; but further into the quarry that might run out. When polishing the Caswell marble down, these ticks will cut just like diamonds. Still, if the quarry were thoroughly opened, I believe it would be found to be very good marble. But even with these ticks it would do for monumental work.

1319. It does not contain many shakes?—Limestone is not so shaky as some think. Some say "it is all shaken"; but that is all nonsense. The Caswell marble was formed the same as Oamaru stone, in beds of shell.

1320. Is Italy the only country from which they are importing marble into New Zealand?—Yes. I am given to understand that any amount of this is made in Italian prisons, and agents there buy the slabs up, and send them to the colonies. I think it is a great shame that we should be idle in this country, and support Italian prisoners. I have no doubt these stones are made in Italian prisons, looking to the prices of them.

1321. Is there any stone imported from America, or from Great Britain?—We used to get American marble, but it is not good. It will not stand the weather very well. There is none imported now from America; it is all Italian. Of course, Italian marble is the best.

1322. *Mr. Tanner.*] I would like to ask you, supposing a 60-per-cent. duty were imposed, do you think it would throw the work back into the hands of colonial workmen at all?—It would help, but the profits are so great that they could almost pay the extra duty and sell at the same price as now.

1323. That duty would not be felt here?—No.

1324. And the 60-per-cent. duty would only help, but would not prohibit importation?—No. That would not prohibit it at all.

1325. You have told us you have reason to believe that the monuments now imported are prepared in Italian prisons?—I was given to understand so by a man who came from Italy.

1326. He saw the work being done by prisoners?—Yes; he said he saw them in Italian prisons making them. When talking to me he said he saw the Italian prisoners in Carrara making these monuments in the gaol.

1327. And it is from that country they come here?—Yes; Carrara marble. I would not take my oath on it, but I believe that at the prices paid in Italy they could not make them on wages.

1328. They must be made on some marvellously cheap scale—by pauper or prison labour?—Yes.

1329. Would it serve your purpose if no prison-made goods were allowed to land in the colony?—It would be a benefit to the whole of the colony, not only to me, but to everybody else in other trades. The profits made by the importer are too good to be lost, and he would doubtless object to it.

[I did not say that people could get a monument of Oamaru stone for £1 10s. the same design as they pay £30 for, but what they would pay £4 for, and in like proportion.—R. A.]

(46.) John Christie examined.

1330. *The Chairman.*] What is your trade, profession, or business?—I am a plumber, in business in Dunedin.

1331. How long have you followed that business?—Thirteen years in Dunedin.

1332. Are you an employer of labour?—Yes.

1333. How many men do you employ?—Thirteen at present.

1334. What are the wages earned in your business?—They fluctuate; but on an average £20 a week is the amount of wages paid.

1335. What are the ordinary wages of a journeyman who thoroughly understands his business?—10s. to 12s. a day, according to his qualifications.

1336. We presume you have something to submit to us in connection with the tariff: will you tell us what it is?—We import a good deal of hollow sanitary ware, such as closets, basins, and earthenware goods, and from the commencement heavy charges have been placed on these goods, running up to from 75 as high as 110 per cent. on the Home cost.

1337. You mean, including duty, freight, and all charges from the place at which they ship them. You say your charges altogether amount to from 75 to 110 per cent. on the Home cost?—Yes.

1338. How do you account for so large a percentage?—Owing to their bulk, and breakages sometimes, and heavy charges for careful packing, besides being charged duty on packages.

Mr. Glasgow: The duty on earthenware is 20 per cent.

1339. *The Chairman.*] Then, freight, landing charges, and various things come to as much as from 55 to 90 per cent. independently of duty. Is that so?—Yes. My reason for coming to speak of that is this: that we find the price we have to charge, so as to have a fair profit, renders the price of the article pretty well prohibitive in many cases; and, seeing there is no manufacturer of that class of goods in the colony, I thought I should submit it to your consideration.

1340. What is it you wish us to do?—To get the duty removed, if possible. I want these things admitted free, if possible. I thought these articles, not being manufactured in the colony, and with so many heavy charges against them, should be admitted free.

1341. Would there be any additional consumption in the colony if the price were reduced 20 per cent.?—Undoubtedly.

1342. Taking off the whole duty, there would remain in some cases as much as 90 per cent. If the duty were taken off it would reduce the charge by two-twentieths. If that were done, would it increase the consumption?—It would not largely increase the consumption, but I think, myself, it would enable a better class of work to be done in the plumbing line. We would have a better-class article.

1343. Then, what you mean is this: that the duty removed would enable you, if supplying the article at the same price, to put that 20 per cent. into the work and turn out a better article than you now do at the same price?—Yes.

1344. Is there any other item in your trade you wish to refer to?—Yes, there is a duty of 3s. 6d. per hundredweight, or £3 10s. per ton, on lead and composition piping. With a fixed duty of that kind, we find a very great difficulty in prosecuting good sanitary plumbing, owing to the cost of lead piping, the cheaper material substituted not being nearly so good.

1345. What article do you substitute?—Light galvanised iron. The importation of the lead piping has practically ceased. The difference in price between lead pipe in New Zealand, or, rather, manufactured in New Zealand, compared with the manufacture at Home is considerable; or, to put it more clearly, the plumber sends in to a pipe-manufactory his old material which he gathers, and gets it returned weight for weight, with a charge of 2s. per hundredweight paid in the Old Country. He has to pay 10s. to 12s. here for the same work. I find from my own experience of it that plumbing work is being completely cut to pieces. We will soon have no plumbing trade. A plumber is a worker in lead, and has now become a worker in this tin-pot stuff, which is really not fit for the purpose for which it is used.

1346. What is the remedy you propose?—It would be to lighten the cost of it.

1347. Therefore, you want the duty reduced?—Yes.

1348. By how much?—One manufacturer in this colony, with one man and a boy for three months in the year, can manufacture more than is required in New Zealand.

1349. You mean, more than is now consumed, or would be consumed if galvanised piping were done away with?—Than is now consumed.

1350. And if galvanised piping were done away with, how many would it employ?—I cannot say that.

1351. You cannot say what the effect on labour would be if your proposal were carried out?—The effect on labour, in my opinion, would be to employ more plumbers and less tinkers.

1352. Is there any other item besides these two you wish to bring under notice?—The duty is such a small matter on some of the articles that it would not make much difference. For instance, there is 200 per cent. charged on gas-globes, and 15 per cent. would make very little difference on them; but I think the duty should be taken off, or, at least, the duty charged on the cases and straw, which are useless to the importer.

1353. *Mr. Tanner.*] You stated that the importations of lead manufactures into the colony have practically ceased?—Of lead and compo. piping.

1354. Was there ever any large quantity of lead piping introduced?—It had all to be imported at one time.

1355. But I mean of late years, before this tariff was imposed? In 1887, the total amount of lead piping imported was 5 tons; in 1888, 2 tons. A year or two ago it was 10 tons, rather slightly increasing; and of sheet-lead the amount imported in 1887 was 610 tons, and in 1893, 580 tons. That amount is nearly equal to the 610 tons brought in in 1887 before the present tariff was put on?—You are talking of sheet-lead and I am speaking of lead pipe.

1356. I am speaking of both. You say that this sanitary ware is not made in the colony?—Not to my knowledge.

1357. Are there not earthenware manufactories in the colony?—Yes, for drain-pipes. I mentioned a speciality.

1358. Kindly tell us what you mean by drain-pipes. Do you mean the ordinary red pipe?—Yes.

1359. Do you mean to say there is no other earthenware manufactured in the colony?—The brown earthenware can be made in the colony, but the white has never been made, to my knowledge.

1360. You say that sinks or receptacles or bowls are not made in the colony?—Not that I know of.

1361. Have you seen the Springfield Works in Canterbury?—I have seen samples of their work.

1362. Do you mean to say goods of that description are not made south of this, at Milton?—No.

1363. We have a multitude of witnesses coming before us who talk about prejudice and custom influencing people in the colony against the use of colonial goods: does that exist in your case?—No; not at all.

1364. *Mr. Hutchison.*] That earthenware is not at all used in these places you fit up?—No.

1365. Are there any cases within your knowledge in which that earthenware has been used in that way?—I know of a case where it was attempted, but it was such a decided failure that they have abandoned the idea of it.

1366. I was not aware until my colleague mentioned it that they make earthenware goods of that kind in Canterbury?—They make the rough, heavy goods such as are buried in the ground, but not goods fit for fitting up in a lavatory or bathroom.

1367. *The Chairman.*] Then, summed up, what is it you ask for?—I ask for the removal of the duty on composition and lead piping, as well as on the earthenware goods I have mentioned, as they are not manufactured in the colony.

(**47.**) Mr. Thomas Menzies examined.

1368. *The Chairman.*] You are, I believe, a member of the firm of Menzies and Co., sauce-manufacturers, Dunedin?—Yes.

1369. Have you been long in business?—No; just twelve months.

1370. Are you employing labour largely?—I have two boys and sometimes a man.

1371. Then, you have not at present a very large output, I suppose?—Not a very large one.

1372. We presume you wish to see us in connection with the duties: will you kindly state what you want to represent?—I want to tell you that, in the first place, bottles cost 8d. to 10d. per dozen at Home, and landed here, 2s. 2d. a dozen; and a case that costs 9d. at Home costs 1s. 5d. to 1s. 7d. here, making a difference of 5s. 4d. in a case of four dozen. The ingredients for sauce imported here are bought at 60 per cent. at Home less than here. We have to take 1s. a dozen less, and 11s. 6d. per dozen less here than for the imported article. We have to take 1s., 3s., and 11s. 6d. less per dozen for the same size of bottle, according to the brand. Then, as to the different sizes of bottles: the standard measure of the sauce trade is reputed measure. The quart is 24oz., the pint 12oz., and the half-pint 6oz.; but since the tariff was altered a few years ago there is imported sauce in imperial-sized bottles—5oz., 10oz., 20oz., and 40oz. bottles—which evades the spirit of the present tariff.

1373. They pay at per dozen, irrespective of the number of ounces they contain?—Yes; they get in the 10oz. possibly here as half a pint, instead of 12oz. They pay at per dozen.

1374. The difference between Imperial pints and reputed pints is the difference as between 6oz. and 10oz.?—Yes.

1375. And the 10oz. bottle that comes in now pays duty on only 6oz.?—Yes. Then, there is another thing: We have great difficulty in getting bottles, and a great many makers of sauce in this country are using up old bottles of all brands, thus breaking the Trade-marks Act.

1376. In fact, using the bottles of other manufacturers?—Yes. I consider the present tariff is only a revenue tariff; there is no protection about it.

1377. Then, you ask that your industry should be protected by an alteration in the tariff?—Yes, because now it is only a case of hand-to-mouth. We are not able to employ any labour. The article that we are selling at 7s. 6d. has been sold in Glasgow, and is still selling, at 7s.

1378. Then, you are selling that article at less than it can be imported for?—It is because it is made in the colony. I have to take the price I can get for it.

1379. The article made at Home could not be imported and sold under 7s. 6d?—No.

1380. But there are other articles that sell in preference?—Yes, because of the prejudice against colonial production.

1381. You ask that your industry should be assisted?—I do.

1382. To what extent do you require assistance? What alteration in the tariff would give you assistance?—I should put it down so much per gallon, at 5s. per gallon, and they could send any size bottles they liked. It should be so much per imperial gallon, actual measurement.

1383. And supposing that duty were imposed, as regards the employment of labour, what effect would it have?—It would have the effect that I might be able to employ more labour.

1384. Have you any idea to what extent?—I should say, four or five times the labour I now employ, perhaps six times.

1385. Of course, there are other sauce-manufacturers besides yourself in New Zealand?—Yes.

1386. Many more in Dunedin?—Yes; two more.

1387. That would give altogether three sauce-factories in the city?—Yes.

1388. Are there the proportionate number in other cities of the same size in the colony?—I cannot say.

1389. Then, ten or a dozen would cover the whole number in the colony?—I could not say, because I do not know how many.

1390. Now, as to the price of the article you supply as compared with Home prices: can you supply a sauce of equally good quality?—The article I am making is being made in Glasgow too. Yes.

1391. Can you supply sauces of different makes and kinds?—Yes. It stands to reason that if we get anything of a profit we can turn out the article just as good as at Home.

1392. How about price? Labour is cheaper at Home, and material also. Can you, in the face of that, produce an article at anything like the same price as at Home, speaking generally? If the whole trade were in local hands, could you produce the various kinds of sauce at or about the same price as they are now landed at?—Not at the price they are landed at, because we would require a little more, our expenses being heavier.

1393. What difference would there be: 20 or 25 per cent.?—More than that. It is the labour that adds to the cost of production, and extra cost of material.

1394. How much more?—I should say 40 or 50 per cent. would be quite sufficient.

1395. I suppose the duty you are now asking for—5s. per gallon— is about double the present duty?—No; the bottles that now come in at 3s. a dozen would come in at 4s. 6d. If the duty were 5s. per imperial gallon the bottles coming in now would represent a duty of 4s. 6d. instead of 3s.

1396. Do you think that would have the effect of throwing out the imported sauce, and putting the business into your own hands?—I do not think so.

1397. Not to any extent?—Not to a very large extent. I mean it would not prevent imported sauces from coming in.

1398. *Mr. Stevens.*] Do you bottle your sauces in bottles called reputed pints?—Yes; the standard measure of sauce.

1399. Then, is it a different measure to any other liquid?—Yes. At Home there are 12oz. for pints and 24oz. for quarts. There are only three measures—half-pint, pint, and quart.

1400. What kind of sauce do you manufacture? Is it Yorkshire relish?—No; Worcester sauce and tomato sauce. I am starting a branch of a Home house. They have given me recipes, and are sending ingredients and everything else.

1401. Therefore, they would be as a branch of some English institution?—Yes.

1402. And you make them here, and put a Scotch label on them?—And my own name as well. I am not evading the Trade-marks Act in any way.

1403. Is your own name as legibly printed on the label as that of the firm?—Yes.

1404. About what value of sauce do you turn out in a year?—Well, I am running out fifty cases a month just now.

1405. And what is the value of a case?—One pound ten shillings a case; about seventy-five pounds' worth a month; and I have premises that could turn out ten times that quantity.

1406. Will there be consumption for ten times that quantity?—I think the consumption in New Zealand would be four or five thousand cases, perhaps ten thousand, a year. When I first came here I sold four hundred cases alone in one year, and I was only one representative of one house.

1407. *Mr. McGowan.*] Do you just manufacture the two kinds of sauce—Worcester and tomato?—That is all; but as I go along I intend going into more; but I must creep before I walk.

1408. And you state the ingredients you require can be obtained in Scotland 60 per cent. cheaper than here?—Yes.

1409. Would you mind mentioning the ingredients?—Cayenne pepper I buy here at 2s. 6d. per pound I could get at Home for 1s. 2d.

1410. That is not the main ingredient: a little cayenne pepper goes a long way?—I am not going to tell you all the ingredients.

1411. The liquid occupies the largest part in filling the bottle?—It does.

1412. Can vinegar be made in the colony?—Thompson and Co. make vinegar. I should not like to use it. They have spent, I am told, £2,000 in erecting vinegar plant, and still they cannot turn out the article.

1413. You have no objection to state whether you use malt or manufactured vinegar?—I use malt vinegar, acetic acid, and wine.

1414. Which do you use most of, malt vinegar or acetic acid?—Most malt vinegar.

1415. Do you not think the country well suited to produce malt vinegar, seeing we can grow grapes so abundantly?—We ought to be able to make malt vinegar here as well as at Home.

1416. *Mr. Hutchison.*] I gather that you want us to use your sauces, and that you are not likely to patronise Thompson and Co. for vinegar?—If they turned out a better article I might. I have tried it.

1417. And it will not suit?—I am not just exactly sure whether it will or not. I only once tried it, and not to my satisfaction.

1418. Are you going to try it again?—Possibly I am.

1419. In encouraging any industry in the colony, we would suppose the one industry would seek to stand up for and support the other?—I am doing that. Instead of buying the imported acetic acid I buy what is made here from Kempthorne, Prosser, and Co.

1420. Do you brand the quantity of material in a bottle on the label?—No; that has never been done in the trade.

1421. Is that not a requisite in most of these things at Home—that the quantity has to be marked on the label?—No; the quantity is understood. There are no two different sizes at Home. There are only the standard sizes made by the bottlers for selling. Sauce-bottles are always the same.

1422. *Mr. Mackenzie.*] Is it not the fact that the recipe you are making from is one that has been for years in use at Home in your own family?—Yes.

1423. *The Chairman.*] I think I understood you to say, in answer to a question from one of the Commissioners, that your output now is fifty cases a month, or six hundred cases a year?—Yes.

1424. And the labour you employ is two boys?—And a man occasionally. I may have him for a fortnight or three weeks out of the month. I work myself. I do the heavy work myself.

1425. Well, then, your estimate of the consumption was from three thousand cases to between nine and ten thousand a year for the colony?—That is only giving you an idea. I am sure there are four or five thousand cases sold in the colony.

1426. In that case, supposing the whole of the trade of the colony were nine thousand cases, and that trade were secured by the local manufacturers, the amount of employment that it would give would be thirty boys and twenty-two men, on the assumption that nine thousand cases was the output?—I think it would employ more.

1427. On the same basis, if you had the whole trade, it would give employment to thirty boys and twenty-one or twenty-two men. And we understand you to request that a duty of 5s. be imposed per gallon, actual measurement, on imported sauces?—That is, per imperial gallon, equal to about 50 per cent additional to what is now the case.

(48.) Joseph Heatley examined.

1428. *The Chairman.*] You appear before the Commissioners as representative of Scoular Brothers and Co?—I do not, sir.

1429. Then, in what capacity?—I come here as a private individual. My address is Scoular Brothers and Co.

1430. What are you?—I am a commercial traveller. The reason I have come here is because I have been in business since 1857, and I thought it might interest the Commission to have the evidence of an impartial person who has no interest one side or the other.

1431. How long have you been connected with business in the colony?—For the last fourteen and a half years.

1432. Doubtless you have some suggestions to offer: will you kindly state what they are?—The experience I have had during the last fourteen years has been in distributing goods for Scoular Brothers and Co. and other firms. I have come in contact with retailers, and have seen what struck me as anomalies in the tariff. Scoular Brothers and Co. are wholesale importers, principally in grocery goods. One anomaly that has struck me principally is in connection with rice and tapioca. Rice pays a duty of £6 per ton, or 6s. per hundredweight. Tapioca, which comes into this country from Singapore, a country (equally with Japan) which takes nothing from us whatever, comes in absolutely free, and both these are used as comestibles for the household. Rice is the more commonly used, and more by the wage-earning class than tapioca, and yet tapioca comes in free. I suppose the reason is that you want to tax the Chinamen. Ninety per cent. of the rice comes from Japan, which the Chinamen do not buy. They would rather eat it than starve, it is true, but they would not eat it if they could get the Patna rice, which comes from Calcutta. If you put 1d. per pound on Patna rice, and take some duty off the Japan rice, you will catch the Chinaman.

1433. Is not Japan rice as a comestible a nicer article when cooked than Patna rice?—No.

1434. Does it not generally command higher prices in London than Patna rice?—No.

1435. Supposing the duty were on one article and not on the other, would the difference in quality be so great that the Chinese would take the Japan rice?—That is a question. I have no prejudice for or against Chinamen; but I want to point out that 90 per cent. of the rice that comes into this country is eaten by Europeans; and, if they are to pay a duty on it, I do not see why you should not gather revenue from tapioca, vermicelli, and maccaroni, as they are not articles of diet used much by the wage-earning class.

1436. Then, you suggest that these articles should bear a certain duty?—Yes; an equal duty with rice. It would make it less anomalous. Cornflour pays a duty of ¼d. per pound, and semolina pays 1s. per 100lb., and peasmeal 1s. per 100lb., and split peas 2s. per hundredweight.

1437. Are you sure cornflour is not made in the colony?—I have never heard of it or seen it. It has never been offered to me. There is some made in Victoria, but not in this colony, so far as I have heard or know. There is peasmeal from Glasgow and Edinburgh, which pays a duty of 1s. per 100lb. It should have an equal duty with cornflour, &c. If all these things used for the same purpose were equalised and made ½d. a pound all round it would be more satisfactory. Another very anomalous thing in our trade is candied peel. We have a curious position in regard to that article. We have a local industry within a few yards of us, where thirty or forty youngsters are sweating their lives out, and we have to send gold out of the country to Italy and Sicily for raw peel—countries that get not a pennyworth of goods from us. The raw peel comes into the country in brine absolutely free.

1438. That is with the view of enabling this industry to be carried on?—Yes; but I want to draw attention to the fact that there are natural industries indigenous to the colony that are not properly encouraged. I have no interest in these things except as a man of the country.

1439. What do you think ought to be done about the peel?—A duty of 3d. on the candied peel would be equally protective as 5d. If any came here it would give people a little bit of competition and keep them up to the mark as to the quality of the goods. I believe that Keiller would then sell candied peel at £1 15s. a hundredweight in London. Earthenware has a duty of 20 per cent., and in the case of flower-pots that 20 per cent. would not come to more than a few shillings per ton, because those goods are so low in price that 20 per cent. on the cost is a very poor protective duty. I have seen flower-pots invoiced about £3 3s. per ton. The Malvern (Canterbury, New Zealand) flower-pots are protected by a 20-per-cent. import duty. What is the use of putting a 20-per-cent. import duty on flower-pots if the railway people put on 75 per cent. for the freight of Malvern pots for a hundred miles or so? It is a positive fact that you will get them invoiced for £3 3s. a ton; but to convey them to Timaru according to the scale the cost is £2 per ton, 5s. 10d. owners to load and unload. What protection is 20 per cent. duty against that? It is a mere fraction; it is absurd. The only other pottery-works we have in New Zealand are at Milton, and these were sold for £500 lately, involving a loss of £2,000 on the money laid out for them. These works were frustrated by the policy pursued in regard to railway freights. The Milton Pottery has not really had access to markets on account of the railway freights. There is something in our trade, a preparation of coarse castor oil called "castorine," used as a lubricant, but it is debited with a duty of 6d. per gallon as a vegetable oil. Now, there are manufacturers in England who take castor oil to England and make it into castorine, and because they call it this name it is admitted into the colony duty free as a lubricant n.o.e. The coarse oil is used for the lubrication of wheels, and what is used for machinery is debited with the same duty as the other.

1440. You think it should come in free, with the prepared oil?—It has an equal right, certainly. I do not want one to have an advantage over the other. The alteration made from 2s. a hundredweight to 10s. on dried fish has added a little to the revenue, but I do not think it has helped the local industry the slightest. The firm I am connected with used to sell locally-dried fish for a man in Port Chalmers, and he was able to make it cheaper than the imported, having the addition of 10s. per hundredweight duty; but he has had to give it up, not from the fact that he is not protected, but the weather has been very much against him, and it is only at certain periods of the year he can carry on. We pay 10s. per hundredweight on red- and white-herrings. Instead of putting on a duty with the idea of helping this industry, if you could get cheap rates for fish similar to those for fruit, there would be no need for any protective duty.

1441. You think the best way is to give them cheap access to markets?—Yes.

1442. You say you can purchase flower-pots at Malvern at about £3 per ton, and that it costs £2 5s. to deliver them in Timaru. So your argument is that the duty of 20 per cent. against the English article is of no avail?—Yes, on account of railway freights.

1443. The same amount of railway freight from the port of arrival would have to be paid to take the English goods?—I am aware of that; but Timaru is a port. I have no axe to grind. I am no Protectionist; but if you sat and wasted your lives over a thing like this you would come to the same conclusion as I have. You must know from observation that perhaps 40 per cent. of the haulage-power of our locomotives is completely wasted. As commerce is the main thing that makes human society, transit is the thing that makes commerce.

1444. *Mr. Stevens.*] I believe that you are right in your statement with respect to the railway freights charged. As an example, there is a certain commodity, wire netting, which can be shipped from London to Dunedin, but the freight on wire netting from Dunedin to Christchurch is four times, nay six times, the amount that the freight is from London?—I wonder who told you that.

1445. We have it in evidence?—Well, last week I could send it from Dunedin to Lyttelton for 5s. a ton; and if they can bring it from London for a sixth of that I shall be glad to hear it.

1446. How do you send it?—I send it from Dunedin to Lyttelton by sea. It was at 5s. per ton freight by a vessel that sailed a week ago last Tuesday. There is a little competition between the Union boats and the other line. But the regular freight from Dunedin to Lyttelton is about 15s. a ton space on board the ship.

1447. *The Chairman.*] And you got goods taken at 5s.?—5s. is the freight lately charged for the space of 40 cubic feet. There are some funny things done on the railways. I wish you were a Railway Commission; I would let you have it.

1448. *Mr. Stevens.*] In your experience, do you find there is a large quantity of articles made in foreign prisons coming into New Zealand?—Not in our trade at all. Somebody in the fancy-goods trade might be able to give evidence on that point. We are nearly all grocery importers.

1449. Do you deal in brushware?—Yes. We principally sell Mr. Broad's, Dunedin make.

1450. You do not import?—We have done a little, just for the sake of comparison, but I have sold more of Broad's than others. Some he turns out well, but others he does not; but the generality of ordinary mixed goods he can turn out fairly well. Then, as to the question of starch. We pay £6 a ton duty on the rice we use on the table. When rice comes in for the purpose of making starch, we allow that £4 a ton rebate duty, and they can buy rice quite £2 a ton cheaper, and thereby save the other £2 in the price. J. and J. Colman's invoiced price for manufactured starch in England is about 2½d. per pound. The duty here is 2d.; so you see it is a good-sized *ad valorem* duty. It costs 3d. to lay it down, with commissions and exchanges added, and you will find it 68 or 69 per cent.; and we send out to countries like Rangoon, Japan, and others for raw material to make starch, and have to allow that to come in almost duty-free. I believe when the 2d. was put on in 1888 the duty was 3s. per hundredweight. It was put on with the idea that we were going to make starch from potatoes, wheat, or maize. It was tried to be made from these, and if it had been successful there might have been some sense in putting on the duty. But if we put on a duty of 68 per cent., and send out for the raw material to keep a few dozen boys employed, I do not see where the sense of it comes in.

1451. *Mr. Tanner.*] The manufacture of starch from potatoes was tried in Christchurch, and I used the product and found it to answer equally well?—I sold fifty cases to retailers made from New Zealand raw material that the public would not buy twice. The most experienced manufacturers in Germany and England never think of making their starch from anything but rice. If you had your potatoes delivered at your store free, and I had to import the raw material for starch, I would beat you hollow.

(49.) Thomas Stephenson examined.

1452. *The Chairman.*] Do you attend as representing the industry you are connected with, or simply as representing yourself?—As representing the New Zealand Engineering and Electrical Company.

1453. Are you manager of that company?—Yes; I am a partner.

1454. Are that company's head-quarters in Dunedin?—Yes.

1455. How long have you been in operation here?—About three and a half or four years. The shop was in existence long before that.

1456. Are you a company that supplies light and power or machinery?—Machinery, and light and power too.

1457. The company undertakes the supply of machinery, light, and power?—Yes.

1458. Do you give employment to many persons?—It varies. We have a large number on now; we are busy just now.

1459. How many are now employed?—I should say there are fifty hands on now.

1460. What is the average rate of wages you pay to what you call journeymen?—About 10s. a day is the average rate all round.

1461. Then, I presume that those hands are principally employed in the manufacture of machinery?—Yes; almost entirely—you may say entirely, in making mostly engineering machinery.

1462. We presume you have got something to say to us in connection with the tariff as it bears on your industry?—Yes. We wish to have a higher duty placed on low-priced engines for one thing.

1463. Do you mean locomotive or stationary engines?—You may take it as all engines.

1464. Will you give us a limit as to what you mean by low-priced engines?—Inferior got-up engines, with no finish upon them. We are not afraid of competition with the highest-class manufacturers at Home, but it is the low class that give us trouble; and on this account, if we make an

engine for Dunedin, we are on the spot, and if it is not turned out to satisfaction they come back to us to make it right. It would be a rather difficult thing to fix a limit as to price. There is also another matter: mining machinery, as you are aware, is free of duty at the present time. Well, suppose we get an order for mining plant or machinery, and we require some articles we do not manufacture—certain little fittings we want—we have either to buy them at duty price, or import them and pay duty on them.

1465. You complain that you have to pay duty on parts required in the manufacture of machinery?—Yes.

1466. Is there any way in which you can identify them as parts that could be used in other machinery applied to other purposes?—There are finished nuts, drain- and indicator-cocks, &c.

1467. You wish them admitted duty free?—I would not say that; but if there is to be a duty, let there be a duty all round, or take it all off.

1468. Then, I understand you ask for a duty all round, both on machinery and the parts you use, or no duty whatever?—Yes.

1469. *Mr. Stevens.*] Although you are engineers, you take some interest in boiler-making?—Yes; we make boilers as well.

1470. How would you describe parts of boilers which I understand are duty-free?—No; there are no parts duty-free at the present time. What I complain of is this: If you are making a boiler for a mining company, and you want to get these parts of the boiler you do not make, you have to pay the duty on them; and you can bring the boiler in completed and pay no duty at all. But we have to pay the duty on these parts, unless we bring them in specially for that mine. We could not bring in a little thing at a time.

1471. Do you ask for the abolition of the duty on parts of boilers?—If there is to be a duty I would rather there should be no exemptions. If you retain the duty on parts you should impose a duty on imported boilers.

1472. *Mr. Glasgow.*] Can gasworks plant be made in the colony?—Yes; the whole of it can be made in the colony. There is no plant for gasworks except meters that could not be made in the colony; and I believe gas-meters could also be made in the colony.

MONDAY, 11TH MARCH, 1895.

(50.) HENRY LETHABY examined.

1473. *The Chairman.*] You are an umbrella-maker in Dunedin, I believe?—Yes.

1474. How long have you been engaged in the business altogether?—Thirty years. I have been twenty-two years in the colony.

1475. How many hands do you employ?—Four; all members of my own family.

1476. What have you to say in connection with the tariff as it affects your industry?—The umbrella-makers would prefer that the tariff, as regards their trade, should be arranged on the lines of the Victorian one. The *ad valorem* duty is practically useless, as there is not the slightest doubt that the larger portion of the goods that are imported here do not pay one-fourth of the proper duty.

1477. You allege that they are not properly valued, and that it is impossible to value them?—Yes.

1478. Do you mean to say that goods are invoiced at under their value?—To a very large extent.

1479. That can only be done by a system of fraud, because the importer need only pay on the amount at which they are invoiced to him. Is that not so?—I think there are a large number of importers who look upon fraud of this kind as legitimate trade. Some time ago I proposed to go into the fancy-goods business, and the agent for a large British manufacturer offered to land me goods at fully 10 to 15 per cent., duty-paid, less than I could land them here myself from the same firm. A great many of these goods are sent to the colony duty-paid, and how they get them in is nothing to us. This fraud I refer to must be going on, as otherwise the importers would not be able to import umbrellas and compete with the manufacturer here in the way they do at the present time. Twelve months ago I offered to purchase a very large sample line of sticks from the agent of a Victorian firm who was passing through New Zealand, but next day when I called the agent informed me he had sold them ready made up into umbrellas to another firm in Dunedin. He told me the price, and I said, "You could not sell them at that price, and if you add the 20-per-cent. duty to the offer I made, you will see that it is impossible to sell them at the price you say you have done." He then replied, "You don't know the way to keep the umbrellas out. We were the same way in Victoria until we put on a special duty." They were sold to the D.I.C. company, duty-paid.

1480. How do you account for it?—Because the goods were invoiced at about one-third the actual cost, which they saved on the actual duty. Instead of paying full duty they paid about 5 per cent. In Victoria they pay on the dozen; and in Melbourne alone 250 hands are engaged making umbrellas. The Victorian tariff is as follows: Parasols, sunshades, umbrellas, with or without covers, made up wholly or in part, umbrellas not containing silk, 1s. each; containing silk, 2s. 6d. each; parasol, sunshade, and umbrella-sticks, wholly or partly fitted with frames, 1s. each.

1481. Do you ask for a duty at per dozen in the same way?—Yes; but I would prefer it as follows: On all gingham and alpaca umbrellas—say, under 21in.—9s. to 12s. a dozen; over 21in.—8 ribs, 15s. a dozen; of 10 to 12 and 16 ribs, £1 a dozen; on silk or silk-mixture umbrellas, such as gloria, sol de chenes, levantines, or all other materials not mentioned, under 22in., £1 4s.

a dozen; over 22in.—8 ribs, £1 10s. a dozen; of 10 ribs and over, £1 16s. a dozen. I think that would be a fairer tariff than the Victorian, because it allows umbrellas below 22in. to come in cheaper. We also ask that fancy umbrella silks, 36in., should be allowed in duty-free, and also tassels.

1482. Supposing the course you recommend were taken, and this tariff imposed, do you ask for this duty in addition to the *ad valorem ?*—No, in substitution.

1483. If this duty were imposed, would the price of the locally-made umbrellas go up correspondingly?—No, it would come down.

1484. And I suppose there are so many persons in your trade that there would be no possibility of anything like a "ring" being formed to keep up the price?—No.

1485. Can the local manufacturer compete at all now with the Home manufacturer?—Taking the present price at which umbrellas are landed at here, I am prepared to make gents' umbrellas at a price per gross that will cut the imported umbrella out of the market, providing the latter are invoiced fairly. I believe the duty is paid more regularly on men's goods than on ladies, because the former are imported in small lots.

1486. *Mr. Tanner.*] Do you consider that the present tariff, taking it as a whole, is at all a complicated one?—I would not like to give an opinion on that. Speaking on behalf of the Protection League, I may say we have had a large number of complaints about the tariff.

1487. Do you consider that the proposals you have laid before us *re* the duty on umbrellas are at all in the direction of simplifying the tariff?—Very much so, because the Customhouse officer would only have to satisfy himself as to the kind of material in the umbrella-cover, count the number of ribs, and measure the length of rib, to arrive at the proper amount of duty the article should pay.

1488. *The Chairman.*] What is the value of the umbrellas manufactured in the colony annually?—About £4,000. The value of those imported was given to me as about £14,134. I think you will find that these umbrellas do not pay 6d. each duty. It was bringing in the cheap goods that killed an industry started in Auckland.

1489. *Mr. Stevens.*] You say the factory in Auckland is closed. Is there any manufacture of umbrellas at the present time in the small shops?—Yes, but not to any large extent.

1490. *The Chairman.*] Do you object to your name being given in the papers?—Certainly not.

"Gentlemen,— "Queen's Buildings, Princes Street, Dunedin, 20th March, 1895.

"We, the undersigned umbrella-makers, carrying on business in Dunedin, having missed the opportunity of appearing before you, have been granted the favour of perusal of a copy of the evidence given by Mr. Lethaby before you, and do cordially agree with the statements contained therein, and sincerely hope that you will recommend an alteration of the tariff on the lines laid down therein; and we will remain,

"Yours, &c.,
"Susannah Martinelli, 190, George Street, Dunedin.
"Angelo A. Briasco, High Street, Dunedin.
"Thomas Wood, Arcade.
"William Simmon, Arcade.

"To the Tariff Commissioners, Wellington."

(51.) Henry Schladt examined.

1491. *The Chairman.*] What are you, Mr. Schladt?—Engineer and blacksmith. I am a member of the firm of Schladt Brothers, and have been in business the last nineteen years. We used to employ nine hands; at present only six.

1492. What matter do you wish to represent?—I have here a sample of our work, which is mainly used in connection with a boot-factory [sample of a sole-cutting knife produced]. These articles can be produced cheaper at Home than in the colony, and can be landed here cheaper, as there is no duty on them. We now ask for a duty of 25 per cent. I also produce a sample of a similar knife used by printers and stationers [label-knife produced]. There is a duty of 15 per cent. on imported knives of this kind, and we want it raised to 25 per cent. This knife we also make here, but it can be imported from England for half our price. Generally, I think there are too many exemptions in the tariff.

1493. Do you object to your name appearing in the papers?—I would rather it did not.

(52.) Manufacture of Tinctures in Bond.

1494. *The Chairman:* With regard to this matter, it appears that hundreds of gallons of spirits are dealt with in bond in the City of Dunedin under the names of "tincture of chloroform" and "tincture of larch." The latter has no medicinal value whatever, and the Customs cannot say to what purpose it is being applied. All that can be suggested is that there is some system of discharging the spirit by which the alcohol becomes available for other purposes without paying duty. I brought the matter under the notice of Mr. Glasgow, and I also made inquiries myself. I find from the Customs here that the facts are pretty well as I state. Mr. Glasgow has prepared a memorandum on the subject, which he will read for the information of the Commission.

Mr. Glasgow: In view of the possibility of the tariff being dealt with in 1891 I brought this matter before the Hon. Mr. Ballance in the following memorandum:—

"*Memorandum by the Secretary and Inspector of Customs for Information of the Commissioner of Customs.*

"With reference to the question of spirit used in manufacturing bonds for making perfumed spirits, tinctures, essences, hair-preparations, and medicinal spirits, I beg to draw your attention to the following figures:—

Year.	Free Spirit used in Bond.	Imported Spirits of Wine.	Imported Perfumed Spirits Duty-paid.	Imported Bitters and Cordials Duty-paid.	Imported Spirits not otherwise enumerated.	Value of Imported Drugs and Medicines.
	Gallons.	Liquid gallons.	Gallons.	Gallons.	Gallons.	£
1884	735	6,664	1,254	5,267	5,921	35,759
1885	2,606	11,389	1,174	2,939	4,512	37,497
1886	3,987	7,384	1,107	900	4,177	37,770
1887	6,401	11,245	1,194	719	4,895	36,736
1888	6,921	10,587	1,042	431	5,627	36,704
1889	4,554	9,663	1,297	471	3,491	14,179 31,111*
1890 †	10,347	19,462	850	402	3,630	11,001 28,900*

* Patent and proprietary medicines not returned separately in former years.

† The figures for 1893 are as follow: Free spirit used in bond, 4,473 gallons; imported spirits of wine, 15,116 liquid gallons; imported perfumed spirits duty-paid, 896 gallons; imported bitters and cordials duty-paid, 536 gallons; imported spirits not otherwise enumerated, 3,653 gallons; value of imported drugs and medicines, £14,831; £32,316.

"It will be seen that, in keeping with the initiation of this concession, and with the gradual increase in the quantity of free spirit used, there has been a corresponding decrease in the importation of cordials and bitters. The amount of revenue from cordials and bitters in 1884 was £3,187; in 1890 it was £320. It is almost certain that a considerable quantity of the spirit delivered free has been used for making cordials, bitters, and ginger-wine in the colony, and otherwise to the detriment of the revenue derived from alcoholic beverages. The very large quantity delivered in 1890—namely, 10,347 gallons—is a fact which, apart from any other considerations, is obviously calculated to raise grave suspicion.

"It is scarcely credible that this large quantity of spirit has been used only for perfumed spirit, the imported quantity of which has not been seriously affected until 1890, or the compounding of medicinal preparations. It will be observed that in 1890 the duty received on patent and proprietary medicines and spirits not otherwise enumerated has declined. The latter heading includes spirituous preparations for the hair, such as tricopherous. This article is now made in the bonds, and no doubt the tinctures are used for making medical nostrums which compete successfully with patent medicines imported, and reduce the quantity of the latter, to the loss of revenue.

"In August last it was considered desirable to prohibit the making of certain medicated spirits and tinctures, some of which were considered more or less potable, and others capable of being used for making alcoholic drinks. Much dissatisfaction has resulted, but I think the facts and figures above set forth show that great caution will be necessary in relaxing the restrictions.

"I would, however, point out that in my opinion the prohibition of the making of tinctures in bond is of little use so long as imported tinctures are admitted at 15 per cent. duty. This duty is not sufficient to prevent imported tinctures from being used for the purposes in respect of which the colonial-made tinctures were prohibited.

"The question then arises whether, in the interest of the revenue, it would not be better to rescind the concessions before vested interests accumulate further. The argument that, as a compensation for a serious loss of revenue, an important local industry is fostered, has little force. The mere mixing of spirits with certain ingredients cannot be said to be an industry at all. Take the case of perfumed spirit. The duty on the foreign article is £1 1s. the liquid gallon, yet in this colony we actually allow lavender and cologne waters and other perfumes to be made with free spirit, and the industry fostered is merely that of putting into spirits of wine certain essential oils, and drawing the mixture off into bottles. This is the extreme of Protection. That the importation of perfumed spirit has not fallen off [until 1890, in which year the importation was 850 gallons as compared with 1,297 gallons in 1889] is simply due to the fact that foreign perfumery will be used, whatever the price, owing to the reputation of certain makers. It is also, I suppose, due to the fact that proper perfumes can only be extracted by distillation with the aid of spirit, a process not attempted here. I believe this was what it was originally intended should be encouraged, so as to foster the growth in the colony of flowers for perfumes, an industry worth making concessions for.

"The whole policy is one of doubtful expediency. Our officers have not that expert knowledge which is necessary to prevent invasions of the conditions imposed. We are to a considerable extent at the mercy of the manufacturer, and the oversight of operations in these warehouses, both locally and at the head office, involves a large amount of time and trouble which is not recouped by the tax of £35 imposed on the warehouses. And it is unsatisfactory that the energies of the department are spent not in collecting revenue but merely in watching that certain conditions are observed, which duty can only be properly done by an expert.

"I have considered it my duty to place this whole matter before you, in order that some decision may now be come to before the established usage becomes more deeply rooted.

"I should add that New Zealand, as far as I know, is the only country which gives such liberal concessions. In England, tinctures, &c., can only be made in bond for export.* In New

* In Victoria, free spirit is only allowed for manufacture of fancy soap.

South Wales most of the tinctures are charged at the spirit rate, and the right is reserved to charge same rate on others if the importation should increase. The Collector of Customs there has, in a letter to this office, expressed strongly the opinion 'that the practice of allowing the free delivery of tinctures, &c., containing spirit on importation, or by free delivery after manufacturing in bond, is attended with danger to the safe collection of the spirit duties, and that, however stringent the regulations imposed, there will always be attempts made to obtain free spirit for various purposes under the guise of tinctures and medicines.'

"In these remarks I entirely concur, and, in illustration of their truth, I may mention the fact that lately, in one of our bonds, 116 liquid gallons of spirits of wine were made at one time into spirits of chloroform. Obviously this was not for medicinal purposes only.

"In New South Wales the full spirit rate has to be paid on spirit used in making any article which can be used in making an alcoholic beverage. But all tinctures, &c., can be made for export with free spirits.

"26th June, 1891." "W. T. Glasgow, for Secretary.

I think that puts the matter very fully before the Commission, and at the present time it stands exactly on the same footing. The only addition is that of tincture of larch, which the Chairman has referred to. In Dunedin it is suspected that that article is not used for a medicinal tincture. It is used for something we do not know of; and I have been seriously thinking of advising the Commissioner to forbid its manufacture in bond until we are distinctly informed what this spirit is used for. I think it is also very doubtful whether we should allow spirits of chloroform to be made in bond.

1494. *Mr. Tanner.*] Have we any knowledge of the amount used, and by whom?—Yes.

1495. Is it your impression that Neil gets the spirit in free, and then turns it into pure spirit for drinking?—It is quite possible he may not do that; but it is being used for making some spirituous article.

Mr. Hutchison: I am bound to say I know Mr. Neil very well, and it is entirely a mistake to suppose he would do anything of the kind.

Mr. Mackenzie: I suppose you do not think, Mr Hutchison, that he would send laudanum, for instance, to people in the country districts, in opposition to the Poisons Act.

Mr. Stevens: I move, That the paper read by Mr. Glasgow be taken as part of the evidence, and be printed. (Agreed to.)

The Chairman: Mr. Chamberlain, the Collector of Customs, if called, will be able to answer any questions from his local knowledge, and I move, That he be requested to attend and give evidence. (Agreed to.)

(53.) Charles W. S. Chamberlain examined.

1496. *The Chairman.*] You are the Collector of Customs at Dunedin?—Yes.

1497. You have been asked to attend in connection with a memorandum read this morning by the Secretary for Customs upon the facilities afforded to persons to prepare tinctures in bond. I dare say the circumstances are familiar to yourself, and I would like you to answer the following questions: Has there been any abnormal amount of spirits operated upon in bond in Dunedin within the last few years for the purpose mentioned?—There has been a very large amount operated on in Dunedin, and I have taken out the figures for the last twelve months. They are somewhat larger than former years, and are increasing slowly. The total amount of spirit operated on in bond last year was 2,738 gallons, and of that quantity 1,435 gallons was made into medicinal tinctures, 435 gallons into culinary preparations, 305 gallons into perfumed spirits, and 562 gallons into toilet preparations. Upon the whole of these 2,738 gallons the State lost almost all the duty: on the perfumed spirits there would be £1 1s. a gallon lost. It would be difficult to estimate the loss on tinctures, which are charged 15 per cent., and the same with regard to culinary essences at 15 per cent., and toilet requisites at 25 per cent. On the whole, the loss is the difference between the duty of 15 per cent., which would have been payable had these lines been imported, and the duty on the drugs and materials used to mix with the spirit in bond, which amounts to next to nothing. These 2,738 gallons are all rectified spirits, very considerably o.p., say 65 per cent.

1498. What proportion would the loss bear to the full value of the spirit—to the value of the 2,738 gallons?—It is difficult to estimate it, as the medicinal preparations and culinary essences would come under the 15 per cent. *ad valorem* duty if imported. As a rough estimate, I should think, on the two first lines, there would be £600 or £700 a year loss, if imported and duty-paid at 15 per cent. On the toilet preparations, which bear a duty of 25 per cent., there would perhaps be a loss of £150.

1499. And the loss to the revenue is about what?—About £1,150 per annum.

1500. In connection with the preparation of these tinctures in bond, it has been stated that a large quantity of tincture of chloroform is prepared, and also tincture of larch. Do you know if this tincture of larch is used largely for medicinal purposes?—My attention was drawn by the Head Office to the large quantity of tincture of larch made in Dunedin. I went to the makers and ascertained from them that the bulk of it was sold to a firm who make a patent cough medicine. I then went to Kempthorne, Prosser, and asked how much they sold in the year in the course of their ordinary trade, and Mr. Kempthorne told me about 10lb. weight, say, one gallon.

1501. That is by the gallon?—Yes; there are several hundred gallons made in bond by the other firm. I then went to the firm who make the patent medicine, and asked them how much larch they used during the last twelve months, and, after a little pressure, they looked up books and told me exactly. I found that the quantity they used was, perhaps, half the amount made in bond, and I naturally inferred that the other half had been used for other than a legitimate purpose, and not in medicine—probably for making into beverages, for many of which tincture of larch is suitable, being a neutral kind of preparation.

1502. Can you say whether these people discharge the larch from the alcohol so that the alcohol can be used for other purposes?—I cannot speak of the alcohol of larch, but here are two samples of spirits [produced]; they are probably tinctures from which the drugs had been discharged, and the man who gave me the information said I could have as much as I liked at £1 a gallon (the duty would be about £1 4s. a gallon), and he would then make a very handsome profit on them. He also told me that he thought these two samples were made from spirits of chloroform, the only other inference being that the spirit had been smuggled. If you will taste those samples you will say there is little suggestion of chloroform or other drug in them. [Two samples put in.]

1503. Then, to the best of your judgment, you say that the facilities now afforded for manufacturing in bond are being abused, and that there is more spirit passing free for that ostensible purpose than is really required for such purpose?—I am strongly convinced of that fact, and, if you will allow me, I will read an extract from a report I have prepared for the Secretary: "Spirits made into B.P. tinctures, spirits perfumed, and toilet preparations in bond: I am very strongly of opinion that this concession should be withdrawn. There is a large and probably increasing loss to the revenue under it, and it is in no sense an industry, nor is it likely to become one. I estimate, from figures supplied by local makers, that the amount of wages paid in Dunedin in connection with this business is less than one-third of the revenue sacrificed. Further, such articles as perfumed spirits and toilet goods are purely luxuries, and can afford to pay heavy duties. There is also the well-known fact that B.P. tinctures properly made in bond are far more largely consumed in the manufacture of beverages, to the exclusion of imported goods, than for medicinal purposes; and I am also in possession of evidence showing that the drug or other article added to spirit in bond may be discharged and the remaining alcohol sold at a low price, causing heavy loss to revenue. I am satisfied that the only persons benefiting by this concession are the few who make tinctures, &c., in bond, and who naturally raise a cry of vested interests, and breach of faith, &c., when they see their large profits in danger.

1504. In connection with the matter you have brought before us, I think I told you, Mr. Chamberlain, that the Commission would probably ask the Collectors at the different ports to give evidence. In looking over the matter, during your experience of past years, are you able to give the Commission any hints as to better forms of classification, and as to avoiding difficulties that have arisen in the department?—To a certain extent I am. I asked the officers of the department for any suggestions as to items in which difficulty was experienced, and I have received from experienced officers some very valuable suggestions, which are embodied with my own ideas in a list I have here, and which I shall be happy to place at your disposal. I have considered, first, the removal of difficulties felt by importers and officers; secondly, to secure a small increase in revenue. Such items as Protection and local industry I thought entirely beyond my sphere. [Memorandum put in.] These suggestions are based on the present tariff. I should also like to put in one or two samples of rectified spirits [samples of tincture of guaiaci, 54 o.p.; tincture of ginger, said to be o.p.; tincture of lemon, 55 o.p., put in] which have been imported by cordial-makers at 15 per cent. duty as medicinal tinctures, and which are undoubtedly intended to be used in making and fortifying beverages, causing loss of revenue.

1505. Which of these two bottles [produced] contain the crude chloroform tincture?—I have no idea. I do not think that either contained chloroform. My informant told me he imagined that they were obtained from spirit of chloroform; but I think he is mistaken, and that some other tincture was used. I produce two samples of tincture which were forfeited because they were not B.P. tinctures—that is, the tinctures were not made in the proportions prescribed in the British Pharmacopœia, although they were imported and described as such. They are clearly imported with a view to making into beverages.

1506. Do you think any of this spirit imported in bond finds its way to cordial-makers?—I am satisfied of that. Bay rum is prepared in bond, and costs almost nothing. It is a thing that could very well afford to pay duty.

1507. Do the hairdressers prepare it in bond?—This particular sample was prepared in bond here. [Produced.] It would pay a very heavy duty if imported, but pays almost nothing if made in bond here.

1508. *Mr. Stevens.*] I understand you to say that about £1,150 is the loss to the revenue in Dunedin alone, and, taking these figures as a basis, do you think £5,000 would be too large an estimate of the loss to the whole colony?—Certainly not. I think fully that amount would be lost to the colony; but Mr. Glasgow can speak as to what is done at other ports than Dunedin better than I can.

Mr. Glasgow: At Auckland there is a manufactory, and there is also a small one at Wellington.

1509. *Mr. Stevens.*] That would make it more than £3,000?

Mr. Glasgow: I do not think it would be more than £3,000. I would like the Commission to understand that we do not allege that the whole of the spirit used in these bonds is entirely lost to the revenue derived from spirits used for drinking purposes. There is, however, loss even in that direction; and, if the Commissioner had not forbidden the making of certain tinctures and essences in bond, the loss would have been very much larger, perhaps double.

1510. *Mr. Stevens.*] Have you much difficulty in distinguishing between the spirits that can be used for making drinkable spirits and for other purposes?

Mr. Chamberlain: Some spirits that can be used for drinking are forbidden to be made in bond, but there are others that are not so distinguishable. Spirit of larch is a case in point, and it is a moot point whether it should not be struck off. I am also told that spirits of chloroform and some others can have the chloroform, &c., discharged, and can then be diverted to any other purpose for which spirits are required.

(**54.**) JOHN HARDIE MORRISON examined.

1511. *The Chairman.*] You represent the Mosgiel Woollen Company, I believe, Mr. Morrison?—Yes, I am the manager of the company.

1512. Will you kindly state the number of your employés and the annual value of your output?—We have three mills—Mosgiel, Kaikorai, Ashburton. We employ nearly four hundred people, and we can turn out per year goods to the value of £120,000 if we were fully employed.

1513. Then, you are not fully employed?—Not at present.

1514. We shall be very glad to hear what you have to say?—My company are not anxious to increase the duty on woollen goods, excepting in one or two instances. They think there might be a few anomalies put right. For example, take woollen hosiery. In the tariff, knitted hosiery for under-wear is 20 per cent., and knitted hosiery for outer-wear is 25 per cent., cotton clothing is 25 per cent. I think that hosiery should be classed as apparel, and placed under one rate, the apparel rate at 25 per cent. Flannelettes should be classed on the same principle as flannels. They are entirely of cotton, and are calculated to deceive, and do injury to people. Some of the doctors at Home go so far as to say that it is the cause of the influenza; that is doubtful, but the epidemic came in at the same time as this flannelette underclothing. I hear that union tweeds are likely to be urged as something that should be allowed free, but, considering the value people get at present from the local woollen mills, to admit them would simply be misleading people. They would not get the value in the imported union tweed. I think that the duty should remain at 20 per cent., as at present. A great deal of injury is now being done to the trade by the agents for Home houses who are supplying a good part of the retail trade with tweeds in short lengths. Most of the first-class tailors are buying their materials in two-suit lengths. They get a greater variety by so doing, and they pay a higher price. One result of that is that the mills are almost driven out of making a good article of that kind, and they do not get a chance, because we have not the population to supply like they have at Home. We cannot afford to make short lengths; and all our manufacturers are of opinion that something ought to be done to make short lengths pay a different rate.

1515. You think they should pay a higher rate?—Yes.

1516. How would you describe it in the tariff?—I would say lengths under 25 yards. I know of many instances where men will give £1 to £1 10s. more to have something special. There are also some anomalies in the tariff with reference to yarns for weaving. Silk yarns and yarns for weaving carpets are allowed in free, but mohair, vicuna, and the fancy yarns are dutiable. They are used the same as the others, and cannot be manufactured here. Ross and Glendining make worsted yarns, and we do not ask that that class should be free, and I do not want to interfere with them. This yarn I speak of is a very fine quality of yarn, and is only imported for manufacturing purposes. They are fine yarns for twisting up with woollen yarns. They are spun up to 60s and over; that means sixty hanks to the pound. We spin at Mosgiel up to 54-cut; that means fifty-four times 300 yards to 1½lb. wool—equal to 10,000 yards to the pound. Many things used by the woollen trade are made to pay duty, whereas in other industries the same articles come in free. In our industry we have been all along trying to encourage what can be made here in the shape of engines, boilers, and presses, but many things cost too much to have them made here: for instance, patent parts for our machinery are so much higher in price here that it is impossible to get them made locally. I refer to fittings for our looms, and the wire clothing for our carding-machines. These cannot be obtained here, and we think they ought to be free. Belting, bobbins, and perhaps teasels, might be left to pay duty. Wherever we could get anything done here we have done so. Our main engines and boilers were all locally made. I also think that many machines for mining and dairying should be made in the colony. Other articles are free to one industry and dutiable to another. Wire cloth for mining is free; if used by us for drying wool it is dutiable. In many instances I have been asked to pass some of these things as for other industries to get them in free. I have been asked to pass yarns for weaving carpets free, but have declined to do so. Woven iron wire and steel springs, if used for agricultural and mining machines, are free; for our machines they have to pay duty. Engineers' tools for the use of engineers are free; if imported for our engineer's purposes they are dutiable. Olive-oil and spindle-oil: the latter is worth 1s. a gallon; both oils are subject to a duty to the extent of 6d. a gallon. Olive-oil is included in the reciprocity arrangement with South Australia; it is worth 10s. to 15s. a gallon, and is chiefly used for food, and not for manufacturing. It pays the same duty as the spindle-oil we use, and we think olive-oil worth about 3s. a gallon, used in manufactures, should be allowed in free. We use it particularly for lubricating the wool after scouring; otherwise it would not spin. As regards the drapery trade, with which I have been connected for thirty years, I think the tariff should be simplified, and that many articles, such as calicoes, and so on, should start with a tariff of 5 per cent., and then you should build upon that to whatever degree you think necessary. I think the country loses a great deal by not having a 5 per cent. *ad valorem* duty on all things that come in. With regard to other things, I think an easier tariff and more simplification is needed.

1517. *Mr. Mackenzie.*] If it were proposed to take the duty off woollen tweeds invoiced at 9d. a yard, would that interfere with your trade?—Yes; I think it would, because the people would think they were getting an article something the same, and would be misled. Although poor people buy cheaply in the first instance, they do not get real value in those goods when they wear them.

1518. Do you make a tweed fit for lining overcoats?—Yes.

1519. What would be the value?—It would be called a shirting, from about 1s. to 1s. 9d., according to pattern.

1520. So, if it were contended that they wanted these woollen tweeds imported for that purpose, what would you say?—There is nothing in it.

1521. You do not think much tweed is used for lining?—I do not.

1522. If it were urged as a reason why they wanted union tweeds that it was to prevent shrinking, do you think there is much in that?—Nothing much. Some people talk about woollen goods as shrinking. Pure white woollen goods will shrink, because it is the nature of wool to shrink, but if there is anything else in the fibre, such as a dye, woollen goods do not shrink if they

are properly washed. The use of very fine white flannel has gone out for this reason. The bulk of flannels now sold are slate and grey, on account of the non-shrinking. With regard to tweed lining for overcoats, I have not seen such a thing. I do not think there are many used.

1523. Does not good tweed sometimes shrink away from cotton lining?—No; common tweeds do.

1524. Would putting a heavier duty on short lengths keep them from coming in?—It would tend to keep the stocks of the merchants in a better state, in this way: that no one can afford to keep stocks at present, and in time the mills would languish for want of business.

1525. What duty do you think should be put on the short lengths?—I would not like to say definitely what amount I would like to see. I believe 33⅓ per cent. would keep out a lot, and would not be too much.

1526. Do you think that by putting an extra duty on the short lengths you might throw the making-up of these garments into the hands of the Home tailors?—The same thing would apply still, because many gentlemen are getting their suits from Home, and they should be made to pay more for them.

1527. But you might deprive the New Zealand tailor of a share of the work he is now doing?—Oh, no. Many would like the London tailor, but they cannot get the money to get their clothes made in London.

1528. I suppose there are a few fops who insist upon getting something that no one else wears?—Yes, and they are quite willing to pay extra for it.

1529. You have secured nearly the whole of the New Zealand flannel trade, have you not?—We have done a great deal towards getting a share of it—what we call the middle quality of flannel. There is a lot of low class flannel imported, but I think the middle quality is pretty well secured by the manufacturers here.

1530. In blankets, I hear that there are still some seventeen thousand pairs imported?—Yes, because a low class of blankets are made in England chiefly from cotton mixed with noils that is combed back from the combing-machines. These blankets can be made very much cheaper than an all-wool blanket can possibly be made. When the people of New Zealand want an all-wool blanket they get a far better blanket here than they can get at Home, and they pay a very reasonable price for it too.

1531. You have never tried the lower price tweeds, such as unions, have you? and you have never tried mixing your tweeds?—No; we have never used cotton in any shape. People have been sending us samples from Fiji and Australia, but we have never used cotton.

1532. Regarding the price of your goods. Take a tweed you might sell at 2s. or 2s. 3d. From your experience of the Home-market and general drapery, do you think there is anything that can be landed in New Zealand anything like the value you give at that price?—A sample of Home tweed was sent to me, and the invoiced price was, say, 2s. 4d., and they asked me to make the same kind and of a similar pattern. Our price was 2s., and I do not think any Home people can supply anything better. We have tweed at 2s. 3d., and I have seen these tweeds in Melbourne, where they have to pay a duty of 45 per cent. In Sydney we pay 10 per cent.; Queensland, 20 per cent.; and Adelaide something the same. So that, in comparison with the Home tweed, I have a medium class of tweed which I do not think the Home people can do any better than we can.

1533. Therefore, with an all-wool tweed at 2s. and upwards, you can practically compete now in the open market, even if the duty were not put on?—Yes.

1534. *Mr. Hutchison.*] You think you can only get this olive-oil from Australia, Mr. Morrison?—My inquiries in that direction indicate that. I could not get any oil at less than 10s. a gallon, and that was the best.

1535. Would that be the second and third expressions?—Probably. Old oil suits us just as well. They get the full price in Australia on account of the oil being fresh and new, although it may be second and third expressions.

1536. How does it come about that the Kaiapoi factory is kept so busy and the other mills are only working part time?—Kaiapoi factory is opening a warehouse in Wellington, and that may be the reason. They are in a different business to us altogether. They make up clothing, but we do not do that. We simply make to order, the material in the piece.

1537. I understood from the evidence of their managing director that they were kept so busy they could not execute the orders they were getting?—They might be; I could not tell you. I believe they are stocking up, and making up clothing.

1538. *Mr. Stevens.*] You say you think the same duty should be placed on flannelette as upon flannel: for what reason?—Because it is calculated to deceive, and is used for the same purpose. Most people think they are buying flannel when they are not. I would even urge a higher rate.

1539. Are you aware that some flannelettes pay duty and others do not?—I could not say.

1540. It is because of the different patterns. All material used for shirtings is free, and materials used for ladies' dresses are dutiable: are you aware of that?—It would be very difficult, except for an expert, to tell which is which when you come to such a fine point as that.

1541. Do you consider that the use of flannelettes has somewhat reduced the consumption of wool in the colony?—I think it has done a great deal to bring down the price of wool.

1542. Have you any idea by what percentage?—The consumption of this material has been abnormal in the history of the trade, and it is very difficult to answer your question. If you ask any trader he says he has never seen any article that has sprung into demand like this flannelette has done during the last few years. It has been the means of keeping numbers of people busy in Manchester cotton-mills when otherwise they would not have been.

1543. Within what period has this large increase in the demand for flannelette occurred?—Within the last four or five years.

1544. *The Chairman.*] Do you have any objection to your name, or the nature of your evidence, being published?—I do not want my name to appear in print.

(55.) C. W. Kerr examined.

1545. *The Chairman.*] I understand you represent Messrs. Reid and Gray, of Dunedin, and wish to see the Commission on some points connected with your industry?—I am manager in Dunedin for Reid and Gray, and wish to refer to the question of smithy coals. It is said in town that a duty is very likely to be imposed on Newcastle coal, and I wish to point out this would be very hard on us, because Newcastle is the only smithy coal we can use.

1546. What is your consumption?—We use between 600 and 800 tons a year.

1547. Would what applies to you apply to others in the same line of business?—Yes. It is chiefly on account of the large quantity of sulphur in the West Coast coal that we cannot use that

1548. Do you know the New Zealand Implement Works at Invercargill?—Yes.

1549. Do you know what coal they use there?—No. Some years ago we entered into a new contract with the Westport Coal Company for their coal for twelve months, but after a three-weeks' trial we had to get them to cancel the contract, as we found the coal was very bad for welding, and the men complained bitterly of the sulphur in it.

1550. *Mr. Hutchison.*] What would you do if you could not get Newcastle coal?—We would have to import it specially, and pay the duty.

1551. Notwithstanding any heavy duty?—Yes; we would still have to use it.

1552. That is a very serious matter?—Yes, for us.

1552A. Is there no coal in the colony likely to suit your industry?—No.

1553. Do the foundries all use Newcastle coal?—I believe they do not. We have very much more welding in our business.

1554. Your firm carries on the manufacture of certain agricultural implements, does it not?—I do not wish to be questioned on the implements. I believe there is to be a deputation to the Commission in Christchurch.

1555. Is not this the best place?—There is a meeting in Christchurch, at which Mr. Gray is to be present.

1556. *The Chairman.*] Do you object to your name appearing?—I would rather it did not.

(56.) Alexander Burt and Archibald Morrison examined.

1557. *The Chairman.*] Do you gentlemen appear jointly or separately?

Mr. Burt: We are members of the same trade.

1558. *The Chairman.*] I think we had better take you first, Mr. Burt. You are brass-founders, I think?—I am a member of the firm of A. and T. Burt, brass-founders and engineers. We employ a hundred and fifty hands, and also manufacture lead-piping sundries.

1559. I think you wish to bring before us some matters in connection with the tariff?—Yes. The first item is in regard to engines and boilers, of which a great number is being used for dairy factories and others. Dairy factories and the mining community get these articles in free, and we, as manufacturers, think this is a hardship. If I want to import a special engine I have to pay a duty of 20 per cent., while the dairy companies get them in free; and I think, if the duty had been enforced on the engines and boilers used in the dairying industry, the whole of these would have been made in the colony. Our firm was the lowest tenderer in three instances; but in the meantime the Tangye Company's traveller came in and took them for £10 less, and imported them from Sydney. If there had been a duty they could not have done them at the price. We tendered for £120 a piece, engine and boiler, and Tangye's agent put them in at £112. I would urge that all exemptions should be abolished. If it is good for the country that these articles should be free to this new industry, then they should be free to anybody. The exemptions only create unfair competition. The same argument applies to other articles in the tariff, where certain articles are exempt to one industry and dutiable to another. This causes a great difficulty in working the tariff; it opens the door to fraud, I think, in entries being passed to evade the duty. Tinsmiths' tools are also allowed in free; there are also tinsmiths' machines, and we have had a lot of discussion over that, as they are really tinsmiths' tools. We have to pay duty on the articles that come in under the name of machines, although they are actually bench-tools. All other artificers' tools come in free, and I would like to add the word "appliances" to "artificers' tools." I hold that all descriptions of tools that are worked on the bench are really hand-tools. Plain galvanised sheets: This is really and truly a raw material. The duty was put on to encourage the Onehunga Ironworks. Those works are shut up now, and the £1 10s. per hundredweight duty should now be taken off. We have used some Onehunga iron, and we would be quite content to continue using it if the works were going, but to encourage the sheet-metal trade, which is largely used in manufacturing, that duty should now be struck off. Iron gas- and water-pipe fittings come in at 5 per cent., but iron main-cocks, which come in with those fittings, come under a special class, and we have to pay 20 per cent. duty on the main-cocks and 5 per cent. on the others. As they are listed and packed together and sold together, we claim that they should come in as fittings. I have an idea that in some ports they do come in that way. Mining pumps: We are agents for several makers of mining pumps and for pulsometer pumps. If the makers send a consignment out to us we have to take them into stock and pay duty, but if we import one specially for a mining client we get it in free. If we should afterwards sell one to a mining company and produce a certificate we cannot get the rebate. This is an anomaly, and we ask that where duty is paid we should be able to get a rebate; if, however, there were no duty this anomaly would not occur. My opinion of the tariff all through is that there should be no exemptions whatever, but things should be either free or dutiable, as the case may be. Brown sanitary ware: I do not think we could be better supplied than we are in this. Our local makers supply brown ware to everybody's satisfaction, both as to price and quality, but the finer classes of ware they cannot make here. I think, to encourage people to go in for this sanitary reform, the duty should be taken off, and this ware admitted free. Another point is lead pipes. I notice that the witness

who gave evidence on sanitary ware mentioned that there would be more used if it were cheaper. That is one reason I asked Mr. Morrison to come here, because we are the only two lead-pipe makers in the colony, and each of us went to the expenditure of £2,000 to erect this machinery on the understanding of the £3 10s. duty. I would point out that if the duty were taken off the trade would not be supplied any cheaper than at present. We are supplying now in small lots to the trade, in any lengths, at £1 per hundredweight, and to import it free of duty in large quantities would cost £16 10s. to £17 per ton. After the importer has had his ordinary profit he could not cut it up in small lengths and sell under £1 per hundredweight. In our wholesale orders we do business with people who sell again, and I have supplied ironmongers and big buyers during the last twelve months equal to what they would import it at. We supply them at this price, and the only advantage the duty gives us is that the trade is divided amongst the local makers. If the duty were taken off the public would not benefit by it; and I think it would be a breach of faith to take the duty off, seeing that we have gone to the expenditure of £4,000 between us on these machines. The duty only gives us the guarantee that no importations come to the colony. I would like to again point out that the whole fault of the anomalies lies in the exemptions, and if they were done away with I am quite sure the Customs people and merchants would have more pleasure in carrying out their work.

1560. *Mr. McGowan.*] Do you state that you can produce lead piping and compo. piping for plumbers' use as cheaply as it could be imported?—As cheaply as it would be supplied. I mentioned that at present lead piping can be imported free of duty for £16 10s. to £17, and at the present time in Dunedin the plumbers buy retail from us at £1 per hundredweight. Wholesale orders depend upon the quantity. It has been as low as £16, and if we were indenting we would only make a commission. If an ironmonger, or we ourselves imported this lead piping, not having any machines to make it, and if we put a reasonable profit on it, we would not sell it under £1 per hundredweight. so that the community would not be benefited.

1561. What would you call the machine a tinsmith uses for blocking tinware—a machine or a tool?—I would call it a tool, but the Customs would call it a machine. I presume you mean the screw-press for stamping. That is a hand-machine, and at the present time we have to pay duty on it, and also on the burring-machine, which is really a hand-tool, although invoiced as a machine.

1562. *Mr. Tanner.*] Might I ask whether you gentlemen have experienced any difficulty in the supply of zinc on account of the quantity exported from the colony?—No.

1563. Have you always been able to purchase any waste zinc you required locally?—At an odd time we have had to export it ourselves, but there are other industries that have sprung up, such as galvanising works, and we have always as much as we want, but for certain metals we have to bring out the pure zinc in ingots.

1564. *The Chairman.*] Do you wish to add anything, Mr. Morrison?—I agree generally with what Mr. Burt has said. I am practically in the same line of business, supplying the same sort of people, and making the same goods. I certainly think that in the past these exemptions in the tariff have been the means of creating a great deal of trouble, and of opening the door, as Mr. Burt has mentioned, to fraud. Instances have come to my knowledge where goods have been brought in under wrong classes to save the duty, and I do think it would be a good thing if these exemptions were done away with, and everything either made free or dutiable. As regards the lead piping, I may state that since we have taken to manufacture it it is cheaper than it has been at any time. We have lessened the price considerably, and I am quite sure that we will always be able to supply this article so that the public will not have to pay a higher price than it can be imported at.

1565. *The Chairman.*] If this plain galvanised sheet-iron were admitted free, would it not be likely to injure those persons who are likely to start galvanising in this colony?—No. If they have spent any money in erecting plant for galvanising they will have to import the plain black sheets. If it was found to be an injury to them I do not wish to injure them a bit.

1566. Do you object to your names being published?—No.

(57.) Charles Rawlins examined.

1567. *The Chairman.*] What are you, Mr. Rawlins?—Managing director of the Island Block Gold-mining Company, near Lawrence.

1568. I believe you wish to bring some matter before the notice of the Commission?—I noticed you were taking evidence in Dunedin with a view to assisting industries, and, as I am managing a large mining company, I feel very much the severe taxes we have to pay in the shape of duties. We have had to pay a duty on our mining machinery imported from England in the shape of primage duty of 1 per cent. I imported material to the value of £12,000 or £14,000. I now spend about £2,000 every year in material, and £3,000 or £4,000 in labour. A great deal of the material we use is dutiable, and it is not made in this colony at all. Particularly I would mention cement, cordage, candles, kerosene, bolts of all kinds, metal manufactures, ironwork (unless imported as raw material), baize and saddle-cloth, and leather. The leather I have obtained here—from Farquhar and Michaelis—is not nearly so good as the imported leather, and I find the imported has been raised in price. I think I could buy all this material much cheaper if I did not have to pay the duty, and by reason of this taxation I am prevented from employing as many men as I otherwise would do. I am not speaking of direct taxation in the shape of local taxation, but upon the articles used in my business. I produce only gold, and I find that gold is allowed to come into this colony freely from all parts, and there is no protection against it. I do not get any bonus from the State, and the gold industry is the only one that has not been assisted. It has been materially weakened and destroyed by interfering with the tariff. I have been for thirty years in Otago intimately connected with mining, and I can assure this Commission that the Otago people have no idea of the enormous resources awaiting development in central Otago and on the Molyneux River, and I think you can only cheapen the cost of production by taking off these duties. By so doing you will

develop an important industry, and one that will be a source of income and outlet to the people living in the country.

1569. Are you working quartz?—No; deep alluvial.

1570. Do you employ much labour?—Thirty or forty hands. I am paying 7s. and 8s. a day, and from £1 5s. to £2 a week to some men I board. I have spent £30,000 in plant and water-races and reservoirs.

1571. *Mr. Tanner.*] Do you use a particular kind of candle for mining?—We would use good candles if we could get them. The candles we buy every day—that is, a candle made by the Stearine Candle Company—would cost 2d. per pound more in consequence of the duty. I should buy Russian candles in preference, but the others are cheaper.

1572. Russian tallow candles?—No; stearine.

1573. I understand you to say that, while you can use the colonially-made candles, it is a cheaper article than the Russian?—Yes; the latter does not flicker so much in the wind. The colonial candle is about the worst candle I know of in the world.

1574. *Re* saddle-cloth: Do you mean saddle-tweed?—We use about £20 or £30 a year for binding the rings between the pipes.

1575. You must be aware that saddle-tweed is made in the colony?—I would be very sorry to use it unless it was very firmly made. It is a peculiar kind of stuff we use. I have tried material from Mosgiel, but the price was prohibitive. I gave 2s. a yard for it, and it is worth about 1s. or 1s. 6d.

1576. You speak of the price of leather being raised on account of the duty: what kind of leather do you use?—Pump-leather—heavy butt leather.

1577. Do you know the duty on that?—No.

1578. One penny per pound. Do you use imported English leather?—No; I am using the hydraulic leather made in Dunedin, but it is not nearly so good.

1579. You mean it is not so firm in the texture?—No; it is imperfectly tanned. If I want a pair of boots I insist that they shall be made of French or English leather. That makes them from £1 10s. to £1 16s. a pair. I will not have them made of colonial leather, because the latter lets the wet through.

1580. *Mr. Mackenzie.*] You were at that mining conference, Mr. Rawlins?—Yes.

1581. Did they come to any resolution regarding the tariff?—Yes. The resolution was that the tariff should not be raised in any respect as regards dealing with mining machinery. I may state that I was the originator of the movement on the Molyneux River. There are a number of machines working there, and the evidence I am going to give you is what anybody can see for themselves—that is, if better machinery was introduced, the cheaper it can be got the more money will be spent in development of the mining business. At present I am spending £600 for one engine. I have to indent it; and if you add the interest at the rate of 20 per cent., and other charges, it amounts to something like £130 outlay in duty on this machinery. This heavy charge might be the means of inducing people to go in for a class of machinery that would not be so good for them. I do not wish to state that they cannot make machinery in the colonies, because I know they can; but I maintain that they can only make it at an extra cost. If the mining industry was one paid by the State—so much for the gold obtained—there might be some reason for taxing it; but the mines now have to pay heavy duties through the Customhouse, and all we produce goes for nothing at all. It was thought by the delegates at the conference that if we could escape taxation we ought to try and do so by bringing this matter before the country, in the form of a resolution, to the effect that we thought it would be inadvisable to harass or load the miner with any more taxation than possibly could be helped.

1582. Then, you are opposed, on behalf of the Mining Association, to increasing the duty on mining—upon that pursuit?—Yes, I am, decidedly. I am satisfied it would be the greatest mistake that could be made. It is crushed enough now, and the farmers are also in the same position.

1583. If the manufacturers contended that, by obtaining the making of everything here, the internal competition would bring the price down as low as the articles can be imported for now, would you oppose that also?—Certainly, because it would lower the price of wages, with an increased cost of living.

1584. You spoke of gunpowder, candles, and kerosene: did you ever use New Zealand gunpowder?—I would have liked to, but I would not have anything to do with any explosives unless they bear the name of some recognised firm.

1585. Do you use much kerosene?—I use about a case a day.

1586. Have you any idea of the operations that have taken place down at Orepuki?—I have been told that a company propose to enter into the manufacture of kerosene from shale there. I have had considerable experience in this matter, and know the different qualities of shale and of crude oils which are obtained from the different shales near Glasgow, and the different processes. Shale there averages about 16 to 18 gallons from a ton of shale. In New South Wales it will give as much as 115 to 140 gallons of oil to one ton of shale; and the Orepuki, I am informed, will only yield 40 gallons per ton. New South Wales for many years enjoyed the reputation of being a Free-trade country; but at that time she put a heavy duty on imported kerosene, and in spite of this fact, and the fact that New South Wales shale is probably the richest shale in the world, the importation of kerosene was not prevented. I am led to believe that, in order to make this company pay, it has been proposed that a heavier duty should be placed upon kerosene than there is now. The present duty is 6d. or 7d. a gallon, which is equal to a tax of 4s. per case. I use about a case a day, and in paying this duty I would pay away an amount that would actually keep one man going who would produce something. If the duty is not for revenue purposes I would object strongly to any increase in the duty if with a view to entertaining any desire on the part of anybody to form a company to work this shale at Orepuki.

1587. *The Chairman.*] Have you any objection to your name appearing in the newspapers?—Not the slightest.

(**58.**) Deputation from the Milburn Lime and Cement Company (John White, Director; Frank Oakden, Manager.)

1588. *The Chairman.*] I understand, Mr. Oakden, that you wish to supplement the evidence you gave the other day?—Yes. I pointed out before the serious fall within the last five years in the price of cement—viz., that the retail price had fallen from £5 1s. to £3 14s. 2d. per ton; and I also mentioned that one of two things must happen: either that the wages must come down nearer to the Home wages, or that the works must be closed, supposing the additional duty were not put on. Three or four days after I appeared before the Commission the advertisement I now put in appeared in the *Otago Daily Times* of 2nd March, 1895: "To builders and contractors and other consumers. Knight Bevan's and Sturge's Portland cement, 11s. per cask. We have a shipment in the 'Rangitiki,' just arrived, of 4,500 casks Knight Bevan's cement.—Arthur Briscoe and Co., ironmongers and iron-merchants, Princes, Jetty, and Bond Streets, Dunedin." In this advertisement the price is still further reduced to £3 6s. per ton.

1589. *Mr. Tanner.*] This advertisement did not appear in consequence of any supposed evidence you gave?—No. £3 6s. is the retail price to contractors and consumers. The reason I wish to put this evidence before you is this: I think it would be possible for a powerful importing firm, in conjunction with large works at Home, to swamp this market with cement, and to so reduce the price that it could not be made profitably in New Zealand. The firm of Knight Bevan is one of the largest firms in the world, and for them to send out here a few hundred casks of their surplus stock is a very small matter. They would not feel the loss of it; while the final result, if they obtained the trade for themselves after crushing the local industry, would compensate amply for any temporary loss they might sustain.

1590. There are 4,500 casks mentioned as arriving in the "Rangitiki." There would be a little over 700 tons in that, would there not?—Yes.

1591. *The Chairman.*] Are you still of opinion, Mr. White, that the duty of 4d. you ask for would be sufficient?—Yes.

1592. Do you wish to add anything?—I have read over Mr. Oakden's evidence on the previous occasion, and I confirm it in every way. It really means that we must either have extra duty, or reduce wages, or close the works. The total amount of our wages is about £6,000 a year. At Milburn and Dunedin there are about forty employés.

1593. What are the wages of what you would call a journeyman?—7s. to 10s. per day.

1594. What is the annual value of your output at present?—We pay for railage £6,000 a year.

1595. Are you satisfied with the rates of freight on the railway?—We are not satisfied with the railway rates on the raw material—lime—but that is a matter which was brought before the Railway Commissioners. We are also large consumers of local coal and coke.

1596. Do you use any timber?—Only for burning, but nothing very large.

(**59.**) Ernest Turner examined.

1597. *The Chairman.*] What are you, Mr. Turner?—A manufacturing chemist, in Dunedin. I represent Turner and Co.

1598. How long has your firm been in business in Dunedin?—Two years.

1599. What is the extent of your operations?—We have three employés—two adults and one boy. The wages of the former are from £1 10s. to £2, and the latter 7s. per week.

1600. I presume you wish to present something in connection with the tariff?—Acetic acid of 30 per cent. strength pays 1½d. per pound duty, and acetic acid of 60 and 90 per cent. strength pays the same. We think the duty on the two latter should be increased to 3d. and 4½d. per pound respectively—that is, ½d. for every 10 per cent. of increase in the strength of the acid. Acetates of lime and soda come in duty-free. They are used in manufacturing acetic acid, and if they were dutiable the acid could be made here from the raw materials.

1601. What is the raw material?—Wood.

1602. By how much would this increase in the duty increase the price of the acid?—By one-fifth, or ½d. per pound.

1603. What is the present price of acetic acid?—3½d. It can be made for 2d., and the duty leaves room for the manufacturer to get a bigger price.

1604. And if this duty were imposed on the basis you propose it would then cost the manufacturer 3½d.?—Yes.

1605. What are the special reasons for which the charge is asked?—To encourage the making of the acid from the wood.

1606. You say the net price to the consumer would not be any more?—No.

1607. *Mr. Tanner.*] Can you give us the price of the imported acetate of soda per ton?—The net cost laid down here, freight paid, is, roughly, £22 per ton.

1608. What is a ton sold at when manufactured into acid?—One ton of soda makes 25cwt. of acid, and the price the acid would be sold at would be about £52.

1609. Then, if a witness came before the Commission and said it was imported for £24 per ton and retailed at £127 per ton, you would say that statement was incorrect?—I certainly should.

1610. *The Chairman.*] Are there any other items?—The duty on malt vinegar is 6d. per gallon; most of it is now imported in a concentrated form of one to four and one to seven; and I ask that, as long as the duty is 6d. per gallon on ordinary vinegar, the duty on the concentrated (which is also 6d. per gallon) shall be in proportion to the strength.

1611. Can you mention a rate up to which it should be 6d.?—Yes. The British Pharmacopœia is an authorised work, and vinegar there is 4½ per cent. to 5 per cent. That is about the strength of the vinegar in acetic acid.

1612. What should be the unit for the sixpenny duty?—5 per cent.

1613. And, then, in proportion, you would want for every 5 per cent. another 6d.?—Yes.

1614. Can this vinegar be readily tested, as spirits are tested?—Yes; by an acidometer.

1615. Is that test enough for any ordinary Customs officer?—Yes.

1616. *Mr. McGowan.*] Under this proposal the effect would be that vinegars possessing the greatest strength would have to pay a heavier duty than they do now?—Yes.

1617. Do you know Champion's vinegar? About what duty would that vinegar have to pay?—Champion's vinegar is ordinary strength.

1618. I mean for marketable consumption?—That already pays 6d. per gallon. There are vinegars you can add four times the amount of water to which also pay 6d. Champion's would pay no more.

1619. How would you deal with vinegars which are not malt vinegars?—By charging 6d. per gallon for every 5 per cent.

1620. *Mr. Stevens.*] Is vinegar imported into the colony in bottles?—Yes, in very large quantities.

1621. Would it be possible for a Customhouse officer to test the strength of the vinegar without opening each bottle?—He could do it in the same way as you already test bottles of brandy.

1622. Supposing this duty were imposed, would it not increase the price of vinegar to the public?—No.

1623. I understand that there is a speciality in the making of vinegar, especially in the making of the fine household vinegar?—I do not think so; there is no difficulty in the fermentation. There is a great deal of pretended secrecy about it, but it is precisely the same as fermenting beer.

1624. Are there any vinegar manufacturers in New Zealand?—I make a little myself. Thompson is a large maker, I believe.

1625. Do you consider his vinegar equal to the imported?—I cannot say I have tried it.

1626. *The Chairman.*] Do you wish your name, or the nature of your evidence, to be published?—I would rather it did not appear in print.

(60.) Deputation representing the Lapidary Trade (Andrew Devlin; George Chisholm; and David Dixon, representing Mr. William Dixon).

1627. *The Chairman.*] What are you, gentlemen?—Lapidaries.

1628. Are you a deputation from the whole trade, or do you represent yourselves only?—There are three branches represented here.

1629. We will take you first, Mr. Devlin: what do you wish to represent?—I am a lapidary, in business in Dunedin.

1630. How long have you been in business?—One year and eleven months.

1631. And how long connected with the trade?—Thirteen years.

1632. What do you wish to represent?—I ask for a duty of 100 per cent to be placed on the greenstone and opal imported into the colony. New Zealand greenstone is sent to Germany and returned here in the worked-up state. I refer to that.

Mr. Glasgow: There is a duty on it of 20 per cent.

Witness: That is not enough, and we ask for 100 per cent.

1633. *The Chairman.*] Is there a large quantity of these goods imported?—Yes, by the wholesale firms. They take a certain amount of similar lines from us, but they can import them for half the price.

1634. Are the ornaments mounted with gold in the jewellers' windows German goods?—Some are German and some local.

1635. What amount of employment does your business give?—There are twelve in Dunedin.

1636. What are the wages for stone-workers?—£2 10s. a week.

1637. If this duty were imposed, and it stopped the importation, how many more men would be employed?—I reckon it would employ four times the number, as there is always a demand, principally from tourists. We do not wish to prevent stones coming in that we do not produce here.

1638. Are opals produced here?—No; there is a kind of local stone called opal jasper. Some call it that, others pudding-stone. It is found in rock at Cape Saunders.

1639. Has Mr. Chisholm anything to add to what has been said?

Mr. Chisholm: I corroborate Mr. Devlin's remarks.

Mr. Dixon: I do the same.

1640. *The Chairman.*] Have you any objection to your names being published?—We would rather withhold them.

(61.) Patrick John Bellett examined.

1641. *The Chairman.*] What is your trade, Mr. Bellett?—Writing-ink manufacturer. I employ a man and a boy, and their wages are £2 and 10s. a week.

1642. What inks do you make?—All kinds, including copying-ink.

1643. What is your annual output?—About £600.

1644. What do you wish to represent?—I find that a lot of ink is consigned to the colony from Home at a ridiculously low price.

1645. Are these imported inks of good quality?—I could not say, having never tested them. They interfere with the sale of good inks, and I should like a duty of so much per gallon imposed. Ink is at present charged 20 per cent. *ad valorem.* I asked the House for 4s. a gallon.

1646. There is a class of ink sent out here and sold for school purposes known as "penny inks," is there not?—Yes.

1647. What is the price of those?—Stephens's would be about 7d. a dozen—that is, the invoiced price.

1648. Can you produce an ink to compete with that?—Our price is listed at 9s. a gross.

1649. So, practically, you can compete with Stephens in that class of ink?—Yes.

1650. How do you stand in comparison with quarts and pints?—Stephens's ink in quarts is £1 4s. a dozen; mine is the same price.

1651. Therefore, you are able to compete now?—The public would get it cheaper.

1652. Why do you ask for an increased duty?—Because there are a number of consignments that flood the market, and we cannot get the market.

1653. You hope to be able to secure the market?—We do not expect we shall get it altogether; but people who want the imported will have to pay a higher price.

1654. If you obtain the market, will the price of ink be increased to the consumer?—I would not raise my price.

1655. Would the other ink-makers?—I do not think so, because there are four or five, and competition will come in.

1656. Well, if you obtained the market, what difference would it make with regard to labour?—I could put on five or six more hands.

1657. Is your ink as good as the imported in the sense that it is as permanent? It has been represented in evidence that one difficulty in securing the market is because it requires a long time to prove the fact that the locally-made ink is indelible: is that so?—I do know about the chemical compound, and whether it will stand; but, as a rule, if people use a certain ink for a number of years, they do not care about departing from it.

1658. Do you assure the Commission, as a fact, that your inks are composed of the same materials as the imported inks, and will therefore stand the test of experience?—Yes; I can assure you of that.

1659. *Mr. Tanner.*] What is the average price of a gallon of imported ink landed?—There are about 3 gallons to the dozen of quart size, and the price would be about £1 4s. in England, and you would have to add 33⅓ per cent.

1660. It would be about £1 12s. for 3 gallons?—Yes.

1661. And you practically ask that the duty should be doubled?—Very nearly.

1662. Are you aware of the quantity of ink imported into the colony the last few years?—I have forgotten, but I know it is considerable.

1663. I find that four or five years ago the amount imported was, on an average, of the value of £2,000, and it has fallen to £1,400 or £1,500. Have most of the local ink-makers started during the last six years?—Yes.

1664. Therefore, a quarter of the ink used locally is locally made. Would you ascribe the falling-off to the starting of the industry here?—Yes.

1665. *The Chairman.*] Have you any objection to your name being published?—I would rather it was not.

(**62.**) Deputation of Saddlers (J. B. McCallum, Peter Miller, and H. S. Trevena).

1666. *The Chairman.*] Who will be your spokesman?—Mr. McCallum.

1667. You attend, I believe, as a deputation?—Yes.

1668. Are you all in business in Dunedin?—Yes.

1669. Has there been any meeting at which you were requested to attend here, or do you simply come on your own motion?—We have come on our own motion.

1670. How long have you been connected with the business, Mr. McCallum?—Nearly thirty years.

1671. Are you carrying on business on your own account?—Yes.

1672. What are the wages paid in the trade?—Improvers £1 10s., journeymen £2 10s., a week.

1673. What is the value of your output?—About £1,200 per annum.

1674. We presume you wish to say something as to the way the tariff affects your business?—I consider the present way of imposing the duty on manufactured harness is wrong. The present tariff is 20 per cent., and the result is that a very inferior article can be imported and sold at a very low rate—lower than we can manufacture it. The result is we suffer. People in the colony will not buy from the local saddlers what they will buy from auction-rooms and dealers. These goods sold at auction are sightly-looking goods. At one auction-room, American goods are sold at from £1 10s. to £4 a set.

1675. What do you recommend?—I would suggest that the duty should be imposed at per set of harness. We can make a fair to a first-class article in the colonies, but these cheap, inferior goods we cannot make for the want of machinery.

1676. How much per cent. do you want?—About £1 10s. per set. When the tariff was last revised an additional duty of 5 per cent. was placed on manufactured harness, and the duty on leather was also raised to 6d. per pound from 1d. This practically gave the tanner the advantage because he could charge us what he liked for an inferior article, while we could not place a better article alongside his manufacture. The result is that the leather has been getting worse and worse.

1677. Are you quite sure the same result would not follow if the same assistance were given to saddlery?

Mr. Miller: The raising of the duty from 1d. to 6d. affects our trade all ways. It gives the tanner a monopoly in the supply of leather by prohibiting the importation, and the result is that in good-class work now, instead of making it here, we have to import the harness instead of the leather. I maintain that the leather now is worse than it was when the sixpenny duty was put on.

I say it is no better, and it was bad then. This forbids our using it. It is better to buy good quality harness from England than to buy the leather at the tanners' price.

1678. *The Chairman.*] What do you think, Mr. Miller, the duty should be on leather?—2d. would be quite sufficient. I would mention that the shoemaker gets his leather at 1d. duty, while ours is 6d.

Mr. McCallum: A shoemaker told me the other day that it paid him better to get his leather from Home than to use the local leather. Harness-leather is generally no better than it was eight years ago, when this prohibitive duty was put on.

1679. Is it any worse?—I think so. That is my experience, although I would not like it to go forth to the world.

The Chairman: It is bound to go to the world in three months, when the evidence goes before Parliament.

Mr. Miller: We know that is the position.

1680. *The Chairman.*] Do you prefer the answer taken in this way—that harness leather is no better?—Yes.

1681. Is there any other item you wish to mention, Mr. McCallum?—We consider that kangaroo-leather ought not to have been raised to 2d. When the duty was raised on leather generally it was intended to allow green kangaroo to come in free. We have no wish to have a large duty placed on general saddlery; but we think it right to call attention to the anomalies we have pointed out.

1682. Imported harness-leather and kangaroo-leather are charged 6d. duty; is not tanned kangaroo 3d.?—Yes.

Mr. Trevena: I wish to corroborate what has been said on this matter. It is all quite true.

1683. *Mr. Tanner.*] Am I to understand that all three gentlemen agree in the statements made?

Mr. Miller: Yes.

Mr. Tanner: It is rather a pity, seeing that you have been suffering under these grievances so long, that you did not take some steps to get them redressed before.

Mr. McCallum: The trade is rather disunited.

1685. *Mr. Hutchison.*] Then, you are not all agreed, although the union is quite agreed?

Mr. Miller: If we had called a meeting we might have had a much larger deputation. I consider we quite agree on that point.

Mr. McCallum: We have no unions, or anything of that sort.

1686. *Mr. McGowan.*] You think, Mr. McCallum, that if £1 10s. a set were put on, you would be in a better position?—I am positive of that.

1687. Do you mean to include a set of leading harness?—Such a thing is never imported into this colony. If people choose to import that, I would put £2 10s. a set on it. It is the light American buggy-harness I refer to in my previous remarks.

1688. Do I understand that you do not wish for any duty other than what there is at present on sets of harness of the value of £3 10s. and over?—Yes; it is only on the cheaper harness we want the additional duty.

1689. *Mr. Stevens.*] You do not wish any duty whatever imposed on harness over £3 10s.; do I understand that?—Oh, yes; the ordinary duty, of course.

Mr. Miller: We think that the £1 10s. per set on the cheap harness will include gaol-made goods; and we say that the imposition of this duty will not interfere with the good harness, with which we can compete.

1690. *The Chairman.*] Do you mean to say that any harness is made in gaols?—Yes; any amount of it.

1691. *Mr. Hutchison.*] Have you any proof of that?—Yes, in the records.

Mr. Stevens: Have you any means of discerning the harness made in gaols from that made outside them?

Mr. McCallum: No; it is not allowed to be sold in the cities where it is made, but it is disposed of by a sort of secret-service system.

1692. *Mr. Stevens.*] Do you import all the furniture you use for making harness, Mr. McCallum?—Yes.

1693. Could not they make the ironwork in New Zealand?—I would not like to give a positive opinion. It has been attempted here, but has not succeeded. I do not think the demand is sufficient.

1694. Do you import all your leather for making saddles?—Hogskins only.

1695. I suppose you do not make more than 5 per cent. of your saddles of hogskin?—There is hogskin used in every saddle except in Auckland, where they make the basil saddles.

1696. You do not put hogskin into a £2 10s. saddle?—No.

1697. Or even into the seat of a saddle of that value?—No.

1698. You put an imitation of leather?—They do that in Auckland; we do not do it here.

Mr. Miller: All the saddles manufactured here are of better quality. The cheaper saddles sold in the North Island are manufactured in Auckland.

1699. *Mr. Hutchison.*] Or imported?—No; we do not import them. They buy them in Auckland.

1700. *Mr. Stevens.*] Can you make a saddle here equal to Wilkinson and Kidd's, or Peat's, for example, Mr. McCallum?—If anybody has an idea that a saddle is Wilkinson and Kidd's it sells better, but if we sold their saddles as colonial-made they would not sell. We could sell a Wilkinson and Kidd's saddle for £1 more than a saddle made in the shop. It is the same with Peat's saddles.

1701. Do you import leather for girth-making?—They are all locally made. The stained leathers are very good.

1702. Do you not use stained leather for making girths?—Yes; it is called stained bridle-leather.

1703. Is the colonial-made leather equal for bridle-reins to the imported leather?—No. It is suitable for girths because it is heavy, but when you come to put heavy leather into a bridle it is a different thing.

1704. *Mr. Tanner.*] I understand your aversion is to the cheaper harness?—Harness only. We do not object to saddles at all.

1705. *Mr. Stevens.*] I understand that the cheap machine harness is chiefly the breastplate harness?—It is of all kinds, from £1 10s. up to £4 a set, according to quality.

1706. *Mr. Hutchison.*] I suppose it was only an emphatic way you had of putting it when you said that the local manufacturer could get his own price?—Yes, local competition regulates the price, but not the quality.

1707. It does not mean that you have to pay him a price for what it would be with the duty on?—If he would only try to get a better article——

1708. You say he gets a price better than you think he should get?—I meant to convey that he gets more value than it is worth, because the article is so inferior.

1709. *The Chairman.*] Supposing a collar were imported by itself; how would you meet that difficulty?—You have still got your 20 per cent. *ad valorem*, and you would generally get what you want.

1710. What proportion of this £1 10s. should be put on each of the articles in a set of harness?—I have not thought that out.

1711. When your evidence reaches you in writing you might answer that. Will you do so?—Yes.

1712. This will be the question: Supposing that, instead of harness being imported in sets, it was imported in parts, what would be the amount of duty, extra, you would ask for on each article?—We feel it would only cause confusion to attempt to fix a proportion of value to parts of this harness, so would leave it in parts as at present—20 per cent., as harness in parts.

1713. Do you object to your names being published?—We do not wish it.

DEPUTATION of BICYCLE-MAKERS and IMPORTERS (SAMUEL RICHARD STEDMAN and WALTER ALEXANDER SCOTT).

(63.) SAMUEL RICHARD STEDMAN examined.

1714. *The Chairman.*] What are you, Mr. Stedman?—A bicycle agent and importer, in business in Dunedin—164 to 166, George Street.

1715. Do you employ many hands?—About a dozen.

1716. What are the wages paid?—The men receive £2 10s. to £1 10s., and the boys 7s. 6d., per week.

1717. What is the amount you pay annually in wages?—About £1,200. I pay between £1,200 and £1,500 in duty. We do not manufacture bicycles; only repair and import.

1718. What do you wish to represent?—I do not want the duty on the imported machines increased, and I ask for the removal of the duty on tires, spokes, chains, bolts, saddles, and lamps—that is, on all parts used in the repair of machines. I think the local manufacturer should be able to compete against the imported machines with the present duty of 20 per cent.

1719. Do you import machines on commission or otherwise?—By purchase.

(64.) WALTER ALEXANDER SCOTT examined.

1720. *The Chairman.*] You have heard what the previous witness has said, Mr. Scott.: do you agree with him?—I am a new-comer in Dunedin. I am a bicycle-manufacturer, and in opposition to Mr. Stedman.

1721. Do you employ any labour?—I have just opened up, and was previously in the firm of Scott, Myhre, and Co., of Christchurch.

1722. You do not agree with Mr. Stedman?—No. I think it is advisable that tires should come in free, and also the other articles he mentioned. We cannot manufacture those things here.

1723. Will you state why they cannot manufacture saddles here?—Because they cannot compete with the English market. The firm that makes the saddles makes nothing else; bolts, chains, and lamps are also specialities. I am of opinion, if there were sufficient protection against the imported machines, that the industry would employ sixty or seventy men in Dunedin.

1724. I notice you do not include spokes in the articles you wish admitted free?

Mr. Glasgow: Spokes are free now.

Witness: I ask for more protection on the imported finished machine—a duty of 10 per cent. additional, making 30 per cent. in all, to prohibit the importation altogether.

1725. *Mr. Hutchison.*] Is it to give further employment, or is it to encourage bicycling, that you want all these concessions?—It is a matter of giving more labour as far as the community is concerned. There are two hundred hands employed in Christchurch in the cycling trade, and it would make a difference of nearly seventy hands if the machines were manufactured here.

1726. *Mr. Mackenzie.*] Why should all these things be free for repairing—chains, bolts, saddles, lamps, &c.?

Mr. Stedman: I am quite willing to pay duty on the repairing parts, although they cannot be made here.

1727. *Mr. Mackenzie.*] Do you reckon, Mr. Scott, that you can make a bicycle as good as an imported one?—I have made the same kind of bicycle as Mr. Stedman's "Humber."

1728. Supposing you took that bicycle on the hill-country about Dunedin, how would it wear?—I have two of them just come from Invercargill, and they have been taken over the roughest roads. One weighs 32lb., and the other 29lb., and they are in as good condition as when they started.

Mr. Stedman: I have an English machine of 25lb. weight which has gone to Invercargill, and its record is unbroken.

1729. *Mr. Mackenzie.*] Was not that a colonially-made machine which Saunders rode?—No, an English machine—one of Melville's.

1730. Do you know anything of that machine, Mr. Scott, ridden by Saunders between Invercargill and Dunedin?—I never saw it.

Mr. Stedman: You have only to look at the paper.

Mr. Mackenzie: I have looked at the machine and the man riding it.

Mr. Stedman: It was an imported machine.

1731. *The Chairman.*] Have you any objection to your names being published?—No.

(65.) Alexander Thompson examined.

1732. *The Chairman.*] What are you, Mr. Thompson?—A sailmaker and oil-clothing manufacturer. I have been about twenty-four years in Dunedin, and employ about twenty hands.

1733. What is the rate of wages?—The girls receive £1, £1 6s., and 10s. a week; boys, 5s. to 15s.; and the men, £2 5s. to £2 10s. The annual wage expenditure is about £1,300.

1734. What is the annual output of manufactured articles?

1735. What matter do you wish to represent?—I ask for the duty on imported oil-clothing to be raised to 30 per cent. We are at present handicapped in competing with the imported article by having to pay a duty of 6d. a gallon on oil and 2s. per hundredweight on paint, but as there is a difficulty in getting oil in free the raising of the duty on the manufactured article would place us in a better position. The present duty on oil-clothing is 20 per cent.

1736. Supposing the duty were raised, would the effect be to secure to you the whole of the local manufacture?—I think it would.

1737. Would it, then, increase the amount of employment?—I think so. My trade has fallen off so much that where I used to employ thirty girls I only have six now. I think business would be about doubled.

1738. Will the price of the clothing be increased to the purchaser if that 10 per cent. is added?—No.

1739. Is there any possibility of a combination of local makers, and their agreeing to make the public pay more?—No; the competition would keep the price down.

1740. Are there any other items?—I ask that the duty should be removed from eyelets. Bootmakers' eyelets come in free, and so should ours.

1741. What is the value of them?—About 4s. a gross, and the duty is 20 per cent.

1742. *Mr. Mackenzie.*] You are not able to compete now with the imported oil-clothing?—Not at present. We cannot turn out so good a coat at the money, but with the extra duty we could make as good a coat as the imported at our present price, or even a little less.

1743. Would not the price be raised to the buyer?—I do not think so; we would make it up in the quantity.

1744. *Mr. Stevens.*] How much do you pay per annum for eyelets?—Sometimes £10 and over.

1745. That means a payment of £2 to £3 in duty, does it not?—Yes.

1746. *The Chairman.*] Do you object to your name being published?—I would rather it did not appear.

BURNSIDE.

Tuesday, 12th March, 1895.

John Bayley examined.

1. *The Chairman.*] What are you, Mr. Bayley?—A member of the firm of J. Bayley and Co., tanners, Burnside. I employ fourteen hands, and the wages range from £1 10s. to £2 per week. I formerly employed thirty-five hands when working full time, and can turn out sheepskin-leathers to the value of over £35,000 per annum. My trade is entirely confined to sheepskin preparation in various forms. I complain that bookbinders' leathers are admitted free, while the bookbinder has the advantage of a duty on manufactured stationery of 25 per cent. I can dress all kinds of sheepskin-leathers equal to the imported, but the local manufacturer has but a small footing compared with the importations of foreign-dressed leathers. I wish also to instance various anomalies in the tariff. Goatskins, completely dressed and ready for use, are admitted free, as a concession to bootmaking and bookbinding, whilst goatskins imported in the rough, having undergone only one preparatory process, are charged 2d. per pound as rough-tanned hides. I ask that goatskins, whether in the raw state or as rough-tanned, should be admitted free, and that a duty of not less than 10 per cent. shall be imposed on all leathers dressed as "moroccos."

The witness read the following letter, addressed by himself during last session to the member for the district:—

"Dear Sir,— "Burnside, Dunedin, 30th August, 1894.

"Your telegram to hand this morning. In reply, the matters affecting our trade needing revision are as under:—

"Bookbinding leather: All kinds, finished ready for use—viz., skivers and all kinds of sheepleather, morocco, rough goats, rough and smooth calf, are admitted free of duty; manufactured stationery, including books requiring the various leathers above-named, pays 25 per cent. *ad*

valorem. With all kinds of sheep-leather made from New Zealand sheep we have been able to compete; but many manufacturers will still indent while the goods come in free.

"Furniture: Moroccos come in free; roans (sheep-leather) pay 2d. per pound, equal to about 3 per cent. on English cost. Furniture pays 25 per cent. *ad valorem*.

"Shoe-leather: Fancy pays 2d. per pound, equal to about 5 per cent. average for the various kinds. Boots and shoes pay 20 per cent. *ad valorem*. Large quantities of fancy leather are imported that might be made here if a little higher duty were charged.

"The greatest anomaly of all is, there being no goatskins in this country from which to make moroccos, they must either be imported finished ready for use, or rough-tanned, and dyed and finished here. The latter plan could be adopted, and many hands employed in the work; but we are charged 2d. per pound duty on rough-tanned, while the finished goods pay nothing. We recently made the experiment of importing rough-tanned goat for furniture and bookbinding, having been urged to supply such goods. We were compelled to pay 2d. per pound, and were fined double duty for attempting to get them in at a lower rate. That kills this line, and we must let it pass until we can get more common-sense treatment. We now supply the Government Printer with sheep-leather, and could supply much more if rough-tanned goods for finishing here were admitted free. We are large exporters of rough-tanned New Zealand sheep-leather to Melbourne and Sydney. This is all admitted free in Melbourne, and will be very shortly in Sydney.

"Our contention is that a moderate duty—say, 10 per cent. *ad valorem*—should be charged on the following lines: Moroccos of all kinds for furniture, bookbinding, and shoe-work; fancy leathers for shoe-work; and all kinds of bookbinding leather.

"The following lines should be admitted free: Rough-tanned goat, rough-tanned Persians, rough-tanned kip (East India) or kip shoulders and bellies, rough-tanned calf, also calf- and goat-skins in the hair (raw), in salt or dry.

"We use considerable quantities of benzine, now charged 6d. per gallon. As it is used for manufacturing only, we think it should be free. If we had it free we could largely increase our export trade in leather treated by it.

"J. Bayley,
"A. Morrison, Esq. M.H.R." "Of the firm of J. Bayley and Co.

2. Is it true, as urged elsewhere, that leathers such as you manufacture are inferior to the imported?—It is true as regards some samples I have seen, but not as regards the articles I am now turning out, and which are fully equal to the goods of the same class that can be imported.

3. What as to the price?—We are able to supply them as cheaply as they can be imported.

4. Supposing additional duties were imposed, would the result be a combination of tanners to raise the price of these leathers?—Certainly not; there is too much local competition to enable this to be done.

5. Have you any objection to your name being published?—No; I do not believe in keeping anything dark.

OAMARU.

WEDNESDAY, 13TH MARCH, 1895.

(1.) WILLIAM HORACE ROSE examined.

1. *The Chairman.*] What are you, Mr. Rose?—Manager of the National Mortgage and Agency Company, Oamaru.

2. We presume you have something to mention in connection with the tariff?—It is in connection with the application to put a duty on sheep-dip. It will be unnecessary for me to detain the Commissioners, as they probably have had the matter brought before them. This printed circular I put in is probably on similar lines to one submitted elsewhere. We have had it signed by the farmers in the district, and, as agents for Home manufacturers, our company think a duty should not be imposed:—

"*Revision of the Tariff.—Sheep-dip.*

"We, the undersigned New Zealand sheep-farmers, learning that an effort is being made by the half-dozen or so of persons engaged in the making of sheep-dip in New Zealand to obtain an import duty for the benefit of their local enterprise, most strongly object to the imposition of any such duty, and respectfully desire to place before you the following reasons why sheep-dip should continue to be admitted free:—

"1. Sheep-dip is at present, and always has been, free in New Zealand.

"2. Free sheep-dip is a protection to the sheep and wool-producing industries; and a dutiable sheep-dip would be a heavy handicap to them.

"3. These industries are as the life-blood of New Zealand, compared with which the fostering of a sheep-dip manufacturing industry in the colony is utterly insignificant.

"4. All previous Governments have acknowledged this by exempting sheep-dip from duty. Likewise, other sheep-producing countries who compete with us recognise the great importance of free sheep-dip; and these countries—notably, River Plate, Uruguay, the Cape, and Australian Colonies (even protectionist Victoria)—uniformly place sheep-dip on their free lists.

"5. A duty on sheep-dip would thus place New Zealand at a serious disadvantage as compared with her rivals in the mutton and wool trades.

"6. Sheep can only be kept from disease and clean from parasites—such as scab, lice, and ticks—by the use of the best sheep-dips.

"7. New-Zealand-made dips cannot alone be depended on. The withdrawal of outside competition in sheep-dips would make them even less dependable, and careless manufacture and a deteriorated article would almost certainly result.

"8. The spread of parasites which would spring from reinfection by flocks insufficiently or improperly dipped would be of incalculable injury to this colony, and cause widespread disaster to the community.

"9. Not farmers only, but all those directly and indirectly dependent on them—the whole community, in fact—would suffer from the deterioration in our flocks which might follow a restriction on the import of good sheep-dips.

"10. Recognising these facts, special legislation has been resorted to in New Zealand compelling farmers to dip their sheep and keep them clean from parasites.

"11. Under these laws it is no defence in a prosecution to prove that the sheep have been dipped, but that the dip was ineffective.

"12. A special Stock Department is maintained in New Zealand at great cost to enforce these laws.

"13. To cover the cost a sheep rate is levied on farmers, which amounted in 1894 to £20,231, and a staff of thirty-three Sheep Inspectors is maintained, whose joint salaries and travelling-allowances amounted to £7,475. Whilst this continues it would be monstrous to impose a duty on sheep-dip.

"14. As only sheep-farmers use sheep-dip, a duty upon it would be a special class tax, not shared in by the rest of the community.

"15. To put any restriction in the way of a free choice by farmers in the use of sheep-dip, or to increase its cost by a duty, would be therefore—(*a*) Contrary to public policy and interests; (*b*) an injustice and a great hardship and oppression to farmers; (*c*) an impediment to carrying out the law.

"16. The manufacture of a really reliable sheep-dip requires great skill and experience, and it is only old-established firms which are able to make it uniform in quality, so as to give general satisfaction. A slight error may either cause the loss of sheep or deteriorate the quality and value of wool, or prevent the dip from properly destroying parasites. It is therefore of great importance to farmers to have a wide and unrestricted choice. A few of the imported sheep-dips are for this reason in greater demand than all other sheep-dips added together, not only in New Zealand, but in every country in the world where sheep are grown. Such makers bring an experience of half a century or more to bear on the manufacture, and we should complain justly and bitterly if any obstacle were placed in the way of our getting these imported brands.

"17. The process of manufacture of the principal imported dips is a trade secret, and the same quality of dip could not be made in the colony.

"18. Sheep-dip is an article that employs very few hands in its manufacture. With proper machinery, the requirements of the whole of New Zealand could be made by less than twenty hands, working about two months out of the twelve. A prohibitive duty would not, therefore, result in the employment for as much as two months in the year of even an additional dozen labourers, and there is not at present a maker in New Zealand that employs any hands at all constantly engaged in the manufacture of sheep-dip all the year round. The manufacture of poisonous dips is very dangerous and detrimental to the health of those engaged in it; hence the absolute necessity for saving hand-labour by machinery; hence also the desirability of having it made outside the colony.

"19. On the other hand, there are, according to the last published sheep returns, 15,837 owners of sheep in New Zealand, every one of whom would suffer by the imposition of duty on sheep-dip, independently of the grave loss to the whole community from a deterioration in sheep and wool.

"20. A duty on sheep-dip must inevitably result in an increase in its price, and therefore in cost to farmers. This is so, because, owing to the severity and wideness of the existing competition, prices are at present cut down to the lowest paying-level, and because farmers would still demand to have the best brands of imported dips.

"21. Some imported sheep-dips are largely used in New Zealand as disinfectants; also as blight specifics, and as cures for bot-fly on horses. To restrict their importation by a duty would therefore, besides injuring sheep-farmers, be detrimental to the public health (disinfectant), to the fruit-growing industry (blight specific), and to all owners of horses (bot-fly preventive).

"22. A duty on sheep-dip would be the greatest hardship to small farmers. Runholders and large sheep-owners are not under the same necessity of dipping their sheep as the smaller farmers are, because runholders and squatters own a large proportion of merino sheep, which are not so subject to parasites; whereas the smaller farmers own only crossbred and longwool sheep, which are very subject to parasites. Consequently, every small farmer must of necessity dip every sheep which he possesses; and the expense of dipping to him is a serious item, which he would be anything but pleased to find increased by a duty on sheep-dips, especially during the present ruling low prices for mutton and wool. The smaller settlers ought not to be burdened but encouraged.

"23. You will probably have your attention called to certain so-called public trials of sheep-dips which have taken place in New Zealand, and which appear to have been favourable to local makers. With regard to these, we wish to say:—

"(*a.*) That there has never been a public trial of sheep-dip in New Zealand worthy of the name. A public trial to be satisfactory should deal with several hundred or several thousand sheep, but the trials held dealt with only units or dozens. Local judges are also very liable to favour locally-made dips, and no outside expert has ever had anything to do with the judging. The last so-called public trial was generally recognised by experts as having been unsatisfactory, and certainly not a fair test of quality or efficiency.

"(*b.*) No New Zealand brand has, by its excellence, created a demand outside New Zealand; but, on the other hand, the principal imported brands are sold in all parts of the world; and in

every country where sheep-dip is used their sales far excel the combined sales of all other brands added together. The proof of the pudding is in the eating, and since the last so-called public trial the New Zealand farmers have, in spite of it, shown a continued and increasing preference for the imported dips, which give the best and most uniform results."

I have signatures representing over 110,000 sheep; that is from growers in this district alone, and the number could be doubled. Some of the signatories use both New Zealand and imported dips, but they see the injustice they would suffer if they had to pay extra for the imported dips, which they must have, as the locally-manufactured dips do not fulfil all the conditions they require.

3. *The Chairman.*] It has been represented to us by the local makers of dip that they can and do manufacture an article equal to the imported dip, and one which answers the purpose of sheep-owners: is that the fact?—I am told not, and as an instance I might mention that one large flock-owner uses colonial dip for his general flock and imported dip only for his stud flock.

4. Why should he be more careful over his stud flock?—It is more valuable, and he is mixed up in his business relations with the owner of the dip made locally, but his preference lies altogether with the imported dip.

5. It would appear that, as regards cheapness, the local article holds its own?—I think so. There is very little difference in price. It is a question of actual worth and efficiency.

6. *Mr. Stevens.*] Have they had any public trials here as between the imported and local dips?—Not what could be called public trials, so far as I know. In past years tests have been made of the different dips, but not comparative tests.

7. Are you aware whether any public trials have been made of colonial and imported dips together?—Not to my knowledge on any extensive scale.

8. I understand that the fact of this gentleman using colonial dip for his general flock is evidence that, at any rate, it serves the purpose?—I believe it does; but the question is whether it is as effective as the other.

9. You have not heard of the trial made in Hawke's Bay?—I know there was such a trial, but not the extent of it.

10. If it were shown that the colonial dips excelled the imported dips at that public trial, I suppose that would be evidence that the colonial dip was equal to the imported?—For the class of sheep on which it was used.

11. What difference is there in the vermin in one class of sheep and those in another class?—It is not a question of different vermin, but the density of the wool which protects the vermin. The proof we have is that the imported is so much in favour as compared with the colonial.

12. Can you say, from your business experience, whether colonial dip is coming into favour or going out of favour?—I can hardly say, as I deal mostly in imported dip, and when asked for colonial I buy it.

13. *The Chairman.*] Would you mind stating how this circular came to be got up?—It was sent to me simply.

14. Was there any meeting of farmers with a view to preparing it?—Not that I know of; in fact, the matter has just been placed in my hands, and Mr. Hislop should have been here to present this petition himself, but he is unwell, and I have had to do it. It was sent to me from him.

15. This circular has been printed in Christchurch, and obviously some one has had to pay for it. I want to know whether the farmers have gone to the expense of preparing it, or whether it has been done by agents, or otherwise: can you say?—It was simply handed to me by Mr. Hislop, who is agent for an imported dip.

Mr. Mackenzie.] But surely that does not detract from the value of the evidence?

The Chairman: Oh, no.

Mr. Mackenzie: It might be assumed from the tone of the questions that because the circular was prepared by an agent therefore the signatures and opinions given by farmers might be unduly influenced by that agent.

The Chairman: Of course.

Mr. Hutchison: You might draw that inference.

The Chairman: I deduce no inference, but simply ask the question.

Mr. Tanner: The circular is practically identical with the one put in at Christchurch.

The Witness: I understand Mr. Borrie is to give evidence before you to-day, and I should be glad if you would ask him as to the merits of the different dips.

16. *The Chairman.*] Do you object to your name appearing in print as having appeared before the Commission?—No.

(2.) George Brownlee examined.

17. *The Chairman.*] I understand you appear in connection with the question of tanks?—Yes. I am a nurseryman and seedsman, and have been in business here twenty-one years. On the 400-gallon iron tanks, such as are imported, containing seeds, and afterwards used for agricultural purposes, there is a duty of 10s. I consider that a duty of 5s. would be a fairer duty, and I ask that it should be reduced accordingly. On the 200-gallon tanks we pay a duty of 5s., and we ask that it should be reduced to 2s. 6d.

18. What is the price these tanks are sold at?—A 400-gallon tank is sold at from £2 10s. to £3.

19. *Mr. Mackenzie.*] 400-gallon tanks sell at how much?—£2 10s. to £3; and we generally try to get the cost of the tank out of it.

20. Do you not put the cost of the tank on the seed imported in the tank?—No; we try to get the cost out of the tank. Agricultural seeds are free of duty.

21. Supposing it costs £1 to land a ton of seed from Home, how is that amount distributed?—We add that to the cost of the seed, but do not put anything on for the tank.

22. In that respect, I presume you know you are different from the drapers, who add on the cost of the packages to the cost of the goods?—Yes. By getting the seed in casks I dare say we would evade duty altogether. The casks are quite unsaleable sometimes. I think they are free when not wanted for liquors.

Mr. Glasgow: When capable of holding liquor they are charged with duty.

23. *Mr. Hutchison.*] Are there any tanks imported now?—Yes, a good many.

24. With your seeds, I presume?—Yes.

25. How much would a tank hold?—About 30 cwt.

26. Would not that be a large importation?—It would be for garden-seeds, but not for clover-seeds and heavy agricultural seeds.

27. *Mr. Stevens.*] Are the tanks given in free by the person from whom you purchase the seeds at Home, or do you pay extra for them?—We pay for them. They generally charge the Home price—£2 10s. to £3. I do not think the reduction in the duty would interfere with the manufacture of tanks in the country, as there are no tanks made here.

28. So you sell them for the price you pay for them, *plus* the duty?—Yes.

29. *The Chairman.*] Do you mind your name appearing in print?—Not at all.

(3.) Thomas Meek examined.

30. *The Chairman.*] I understand you have some matters you wish to bring before the Commission, Mr. Meek?—Yes. I am a miller, and have been in business thirty years. My remarks are in connection with the woollen factory. I am chairman of the woollen company; and the directors consider that the present duty on imported tweeds and unions is quite sufficient, and should be left as it is; but we are of opinion that the cloth for card-covers, cotton heddles, and duplicate parts of machines, which cannot be made in the colony, should be allowed to come in free.

31. What are cotton heddles?—The cotton used for the looms. The duty on machinery for woollen mills we consider should remain as at present.

32. *Mr. Tanner.*] Why do you consider the duty on machinery should remain as it is?—Because it is due to the present manufacturers, who have paid the 20 per cent. duty; otherwise they would be placed in an unfair position in competition with new factories that might be started.

33. That sort of thing might go on for years, it seems to me. Will you kindly define what is meant by "cotton heddles"?—The heddle is composed of thin cord made of cotton for that special purpose. The term really refers to the cotton used in making up the heddles.

34. Do you import it in hanks?—Yes.

35. It is used in the manufacture of clothing?—Yes.

36. *Mr. Mackenzie.*] You have not attempted to make up any union tweeds in your factory?—No; ours are all wool.

37. You make tweeds?—Yes.

38. Has the question of short lengths been before you at all?—It has, but we do not look upon it as serious. Undoubtedly it is an injustice, and the cause of tweeds being imported that otherwise would be manufactured here. These tweeds come in in short lengths, and any one buying them can get a greater range of patterns.

39. *Mr. Hutchison.*] Do you do much business?—We have twenty-two looms, and employ eighty to ninety hands.

40. Mostly females, I presume?—A large number are females.

41. More than one-half?—I think there are.

42. Did I hear you say you did not want any change in the duty on the imported tweeds?—We think the 20 per cent. is a fair thing.

43. *Mr. Stevens.*] Do you know a material called flannelette?—Yes.

44. Are you aware whether it is sometimes sold as flannel?—I believe a great many people buy it thinking they are buying flannel, and it is injuring the woollen industry here in the colony. We do not go in for making flannels, but the flannelette is injuring the other makers who do make flannels.

45. Could not these duplicate parts of machines be made in the colony?—They are supplied by the makers of the woollen machines, and could not be made here.

46. *The Chairman.*] Do you object to your name being published?—Not at all.

(4.) Donald Borrie examined.

47. *The Chairman.*] I think you are the president of the North Otago Agricultural and Pastoral Association?—I am a member of the committee; Mr. Reid is president.

48. A circular was sent to your association in connection with the tariff question, asking the association to attend and give us their views in regard to the tariff as it affects the farming industry. Your secretary, perhaps, has not had sufficient time to get the governing body together, and perhaps does not care to attend personally. I shall be glad if you will give us any evidence you think fit?—I had no intention of making a statement, but I am quite prepared to answer any questions.

49. It has been represented to the Commission, with regard to sheep-dip, by the manufacturers who make the dip in the colony, that their dip is equal to the imported, and can be supplied at as low a price; they ask that a duty should be placed on the imported dip: have you anything to say against that?—In my district there is only one sheep-dip, and for one season we used colonial-made dip—that was five or six years ago.

50. Whose?—I do not know whether it is advisable to say, as it might injure the manufacturer. On that occasion the result of the dipping was that out of 14,000 sheep dipped 10 per cent. died after dipping, and when we came to shear we found the staple had a serious break in it; and the wool on the sheep when dipped was quite dead. The manufacturer of the sheep-dip met the

owner of some of the sheep in town one day and the former said, "You made a mess of that dipping." The owner replied that he did it according to instructions. The manufacturer then said if we would find him some sheep he would send a man to mix the dip and to dip them and that he would pay for all the sheep that died. The dipping was repeated, and again as nearly as possible the same percentage of sheep died. That is the only experience we have had in the district of colonial dip, and there has not been a gallon used in the district since of colonial-made dip.

51. Your signature appears to a circular handed in to-day by Mr. Rose: do you know whether Mr. Reid, of Elderslie, uses colonial dip?—I do not.

52. Do you know if any of the people whose names appear in this circular use colonial dip?—I could not say. Gemmell once used it, but had the same experience as we had.

53. *Mr. Tanner.*] Where did these settlers live who used this colonial dip?—At Papakaio.

54. Was the wool damaged after the dipping you referred to?—Certainly.

55. Did it fetch a lower price?—If the yolk is not up in the wool it has a lower value.

56. Did it sell for less money?—I could not say that.

57. Did you sell it?—Yes, in London. Any wool-buyer can pick out the fault at once if the yolk is not up in the wool.

58. I wanted to know whether there was any special loss on the sale?—I am certain there was, although I am not in a position to prove it. All my wool was in the same position that year.

59. *Mr. Mackenzie.*] The fact was that wool being in that state was damaged wool, the same as a frosty potato is a damaged potato?—It would not be so much damaged as a frosted potato.

60. Will an ordinary buyer not detect the difference?—He will very frequently do so; unless the yolk was right up to the points of the wool the wool is dead.

61. *Mr. Hutchison.*] Is the colonial dip cheaper than the imported?—There is not much difference.

62. But the colonial dip cannot be all of the character you experienced, else there would be no sale?—I am only alluding to one brand. I have had no experience excepting this one.

63. But do you not think your experience on the occasion referred to must have militated against all the locally-made dips?—Well, that manufacturer does not sell one gallon in our district.

64. But the report would spread even beyond your district. Might there not be a very great improvement now in the quality of the colonially-made dip?—The same dip had been in use here for years previously, and there had been no trouble; but the Australian Land Company, who also used it, have left off doing so.

65. Can you tell me if, in your experience, the imported dip fails occasionally to produce proper results?—We have always got good satisfaction from the imported. It never kills the wool, but nourishes it.

66. *Mr. McGowan.*] Did you form any opinion as to the cause of the variation in the particular dip referred to?—No.

67. Do the farmers generally know the composition of sheep-dip?—No; we can form a general opinion, that is all.

68. Are farmers in the habit of buying sheep-dip without having a chemical analysis?—Yes.

69. Do they not have an analysis of manures if they wish to buy them?—I believe there is a law to that effect, but I have never heard of its being put into use.

70. That law gives confidence to people who purchase manures, does it not?—That I do not know. If we received a chemical analysis with sheep-dip we would be just as wise as before.

71. *Mr. Stevens.*] I suppose it was a mixed flock that was dipped on the occasion referred to?—Yes, all longwools, from lambs up to old ewes.

72. What was the weather like when they were dipped?—Good; it was in May.

73. Did you use hot water or cold water?—Cold; hot water is not used in this district.

74. Did the dipping always cease before 5 o'clock?—Yes.

75. Therefore you think the sheep could not have been killed by the weather?—No; it was three days after the dipping was over that they began to die.

76. I notice you were very careful not to do any one an injury with respect to your evidence, but it strikes me you are going to do a large number of people an injury for the purpose of saving one. When this evidence is published it will be assumed that the dip you mentioned might be the dip of any New Zealand maker: is not that so?—I do not think so, for the reason that there are many new dips that have started since this occurred.

77. *The Chairman.*] Was it a South Island dip?—Yes.

78. *Mr. Stevens.*] Canterbury or Otago?—I do not care about defining it.

79. Do you know of the competition which took place under the auspices of the Hawke's Bay Agricultural and Pastoral Association?—I have seen the result.

80. Were the colonial dips all rejected there?—I think not.

81. Do you know whether on that occasion a colonial dip took first prize as against all dips that were tried?—All I know is only from advertisement, and they all seem to claim first order of merit. I do not mean to infer that there is no good colonial dip; but my experience has been that the Home dip is more to be depended on from year to year in the quality.

82. Do you use Macdougall's dip?—Yes, I did for five or six years.

83. And you think there is no colonial dip equal to Macdougall's?—I have only had one experience, which was a bad one.

84. *The Chairman.*] It has been represented that nearly all the machinery that can be used on a farm can be made, and is made, in the colony equally as good as the imported; and it is again here alleged that prejudice only prevents the use of the local make; what do you think of that matter?—As regards engines, I have never seen any locally-made engines in use in the district.

85. But there are New-Zealand-made engines. Have you not a dairy factory here?—Yes.

86. Have they not boilers, and so on?—One has a fixed engine, and another has a portable one; both are imported engines.

87. Can reaping-and-binding machines be made as satisfactorily, as far as your experience goes, as they can be imported?—I think not. Reid and Gray made them for two or three years, but they had to stop, as there was no sale for the machines.

88. Do you know if there is any truth in the explanation that they had a lot of unseasoned timber which was put into these machines, and it is suggested that this occurred about the time of the death of one of the partners, who took a great interest in the manufacture of the reapers?—That is not so, because Mr. Robert Reid died long before they commenced to make reaping-and-binding machines. It was not the timber part at all that was at fault, but the castings. They would not stand the same as the American castings.

89. Is it a fact that a large number of reaping-and-binding machines were made and sold by the firm prior to this breakdown in the manufacture?—Yes.

90. Did those sold give satisfaction?—They did not; the draught was too heavy; there was the trouble with the castings; and a third disadvantage was the fact that in the American machines, if you take an old casting off you can slip a new one on in its place, as you always have duplicate parts supplied with the machines. In Reid and Gray's you had to get an expert from the shop to fix on the casting.

91. In your judgment, are these imported machines better than anything you have seen of local manufacture?—Yes.

92. *Mr. Mackenzie.*] It is asked that 30 per cent. should be put on all agricultural imported machinery?—That simply means we shall have to pay another 30 per cent. additional for the article.

93. The makers say that internal competition will keep down the price; they have a heavy protective tariff on reapers-and-binders in Victoria now, and it is said that you can buy one there as low as it can be purchased here for. Do you think that is correct?—I think not. A few years ago I was in Victoria, and wanted to buy a machine, and they wanted £75 for one that could be got for £50 here. There was not then a maker of reapers-and-binders in Australia.

94. Were the £50 New Zealand machine and the £75 Victoria one the same machines?—The same maker and the same machine.

95. Do they make machines in Victoria with their present protection?—They did not at one time, and I do not think there is a machine-maker there yet.

96. If a manufacturer in New Zealand promised that through getting 30 per cent. protection he could give you a reaper-and-binder as good as an imported one, and 10 per cent. cheaper than the present one, would you believe him?—No, I would not.

97. The price of Reid and Gray's machine was a fair one, was it not?—Yes, and Reid and Gray said themselves that they were satisfied with the price; but after any person had had one of their machines they would not buy another.

98. Simply because the machine was not suitable?—Yes.

99. *Mr. Stevens.*] Could a back-delivery mowing-machine be made in New Zealand?—I think so. I do not think there was ever a better machine made than Reid and Gray's back-delivery machine, either in England or America. There were no malleable castings about that, as in the reapers-and-binders, but simply common cast and wrought iron.

100. How about their corn-crushers?—They are as good as the imported, and sell at the same price.

101. Therefore, the only class of agricultural machine which cannot be made in New Zealand is the reaper-and-binder?—I think there is a threshing-machine. I found in Victoria that if I wanted to buy a threshing plant the price was £150 more for the turnout than I had to pay in Dunedin. There was only one maker in Melbourne who made them.

102. Seeing that agricultural machinery is so dear in Victoria, why is it that Victorians can produce flour cheaper than we can produce it in New Zealand?—That is what I would like to know; the Victorian farmers say they have to keep outsiders from supplying Melbourne with wheat and oats, and perhaps it is because their wheat is so low now.

103. How do you account for the fact that the 2lb. loaf is selling in Auckland at 2½d., and in Victoria at 2d.?—I cannot account for it; but in Oamaru the 4lb. loaf is as high as it was when wheat was double the price.

104. *The Chairman.*] It has been represented by manufacturers of twine that they can and do supply twine in the colony cheaper than it can be imported for; and, further, that any that is imported is New-Zealand-made twine that has been exported and then reimported to the colony. They state that this reimported twine is sold cheaper than the twine made in the colony, and which has never been sent out of the colony. What have you to say on that matter?—I think the question answers itself.

105. The local manufacturers ask that a duty should be placed upon all imported twine. If that were done, would the farmers suffer in any way?—Is there not a duty now.

106. They want it increased?—It has been proved this season that the importers can send New Zealand twine over to Victoria, bring it back into New Zealand, pay the duty, and supply it ½d. per pound cheaper than we can get the locally-made twine at the factory.

107. Then, you would oppose any proposal for the increase of the duty upon twine?—It means we have to pay the duty.

108. It has been represented that, so long as Australia imposes a duty upon horses exported from this colony, there should be a corresponding duty placed upon horses imported from Australia to New Zealand?—I am not prepared to go so far unless you "go the whole hog," and put an equivalent protective duty on everything that Melbourne sends here. I am not prepared to single out one item. I would rather see free-trade between the colonies.

109. Do you, as representing the farming industry, consider that, while there is a duty charged upon the large items of export from this colony, we in New Zealand should allow Australian products to come in free, or should we exclude them by means of a duty?—I would be very chary about charging duty, as it would only put free-trade off. I object to any spirit of retaliation. Horses crossing from New South Wales to Victoria are charged £2 each, and I do not call that free-trade.

110. We have been asked to recommend that the duty should be taken off woolpacks. The present duty is 2s. 6d. per dozen?—Cornsacks come in free; and it therefore seems an anomoly that a duty should be charged on woolpacks. Both are a necessity to the farmer.

111. *Mr. Mackenzie.*] Are you in favour of a duty on wire netting?—No.

112. Are you in favour of a duty being placed on seed-dressing machines and similar machinery?—I think they are all free now.

113. If a general proposal were made to put 5 per cent. on everything landed in New Zealand that is now free, for revenue purposes, would you be in favour of that?—Well, if required for revenue purposes it may as well be paid through the Customs as through any other form of taxation.

114. If a duty were proposed on coal, what view would the farmers take of that?—The farmers in our district are not affected, as we do not use anything but local coal.

115. There is a proposal to put £5 a ton on sulphuric acid, which is the basis of patent manures: would you approve of that duty; but perhaps you do not know much about that?—I do not know what is done with it; very little chemical manure is used here.

116. There is at present a duty on fencing-wire of £1 to £2 a ton, and a duty on staples and straining-posts: what is your opinion on that?—I should like to see wire come in free; and I think it is a great anomaly that there should be £1 a ton charged on black wire and £2 on galvanised. It is like taxing a man who puts an extra coat on.

117. *Mr. Hutchison.*] We are all very much of the same opinion as you are, Mr. Borrie—that it would be desirable to have reciprocity with the Australian Colonies; but have you thought out the matter as to whether we are more likely to get it by simply allowing them to charge a heavy duty upon our exports to those colonies, while we extend to them the usual treatment and generosity—have you thought that out?—I think, if Victoria were shut up within herself, and all the surrounding colonies retaliated upon her, we would very soon have free-trade.

118. With reference to this matter of horses: they charge an import duty on ours, therefore should we allow horses to come in from Victoria free? Do you not think it would be better to play the same game, and tell them that you were ready to meet them when they charged the same duties as ours?—The same thing applies to grain-growing, and I am not prepared to single out horses particularly.

119. Do you not think it would be better to treat them as they treat us?—My difficulty is that there are certain colonies that do not charge these heavy duties, and we should have to impose a special duty for each colony. I should not have any objection to that, but I think it would be unfair on our part to charge the same retaliatory duties on New South Wales that we would do on Victoria, if we were going on those lines.

120. *The Chairman.*] Have you any objection to your name being published?—Not at all.

THURSDAY, 14TH MARCH, 1895.

(5.) ROBERT BLAIR examined.

121. *The Chairman.*] What are you?—An importer of general merchandise. I have been in business in the colony twenty years.

122. What do you wish to represent?—The question of a rebate of Customs duty on breakages in the importation of crockery. At present we are not allowed any rebate, and I ask the Commission to consider the matter.

123. What percentage of breakages do you get now?—About 5 per cent. I have put in a claim of £5 for rebate on earthenware I imported a few months ago, a great quantity of which was broken, but the claim was disallowed on the legal point that delivery had been taken.

124. You want an arrangement made by which, after delivery has been taken, if there are any breakages, the importer will be able to get a rebate?—Yes.

125. *Mr. Tanner.*] Is this loss on the imported earthenware generally serious?—Yes. I have opened a crate with more than one-half the contents broken.

126. *Mr. Hutchison.*] Is not that due to bad packing?—It might be regarded so.

127. *Mr. McGowan.*] If an importer of crockery is an expert at the business, would he not be able to tell from shaking the crate if he suspects a certain amount of breakage?—Sometimes he could and at other times he could not. With very fine china I have had very nearly half the contents of a crate broken.

128. What kind of china comes in crates?—Any kind.

129. Does not china come in casks?—I believe casks are best, but I have always had it in crates.

130. What kind of china?—Cups and saucers, but mostly plates. There is not so much china broken as earthenware.

131. Do you mean to say, if any earthenware is broken, an expert, by merely shaking the crate, cannot tell whether the same is broken?—Well, it is not generally worth while opening up a crate, and he might not always be able to tell the amount broken by simply shaking the crate in the way you mention.

132. *Mr. Tanner.*] Have you ever applied for any facilities for opening crates at the railway-station?—No. If we get a rebate from the Customs we can get a rebate from the Home makers, but not otherwise.

133. *Mr. Hutchison.*] What you ask now is, I understand, that the law should be so altered that if you buy a crate of earthenware, and a considerable amount of the goods is damaged in transit, that you should be able to get a rebate of duty on their delivery to you?—Yes, and that you should be allowed to open them in your own place, in the presence of a man the Government may appoint.

134. You would have to pay that man?—I do not think anybody would grumble at that.

135. *Mr. Hutchison.*] What is the law, Mr. Glasgow?

Mr. Glasgow: That a refund of duty on account of damage or breakage can only be granted when the damage is discovered at the first examination, and before the goods leave the hands of the Customs. In the case of an importer living in the country we would have to send an officer specially. We have had cases in which it is alleged that certain articles were not in the cases at all, and that could not be verified after delivery.

WAIMATE.

THURSDAY, 14TH MARCH, 1895.

DEPUTATION from the NEW ZEALAND WORKERS' UNION (JOHN O'BRIEN, GEORGE PEARCE, and WILLIAM BOONE).

1. *The Chairman.*] You attend, I understand, as a deputation from the New Zealand Workers' Union?—Yes.

2. Will you kindly state the matters you wish to bring before the Commission?

Mr. O'Brien: The matter refers to the duty on shearers' requisites, which has been already brought before your notice. I mentioned the case to Mr. Kelly, M.H.R., who brought it before the House the last session but one, but nothing was done. The Colonial Treasurer stated then that it was a tariff question, and that the revision of the tariff was one of the things to be attended to by the new Parliament. Last session passed without any action being taken, and the Workers' Union have appointed this deputation to wait on the Commission. The two other members present are practical shearers, and will give any evidence required. Mr. Pearce is vice-president of the union.

3. *The Chairman.*] How long have you been following the occupation of a shearer, Mr. Pearce?—Thirty years.

4. I understand you support the request that shearers' requisites should be admitted free of duty?—Yes. The shearers are charged 20 per cent. on sheep-shears, while shearing-machines are allowed in duty-free. Tailors' shears are allowed in free, also agricultural machinery; and we, as shearers, claim equal consideration. We also now pay the same price for shears as we did when we received £1 a hundred for shearing sheep. We receive now 15s. per hundred. On some stations it costs us close on 2s. per hundred for shears. It cost me the last two years 1s. per hundred sheep from the start of shearing until the finish, for shears.

5. What is the cost price of a pair of shears?—On the back stations we are charged 5s., unless a man takes his own. In Waimate the cost is 4s. 6d. On one station where I was, over two hundred pairs of shears were used by thirty-four men, who sheared 100,000 sheep. The reason the shears do not wear well is because they are not tempered at the point. Burgon and Ball have the monopoly apparently, as five years ago we wrote to them asking what they would supply shears at per gross, and we never received any reply. The storekeepers charge the men 6d. for picking the shears in a packet.

6. *Mr. Tanner.*] Do you get the shears from the manager on the back stations?—Yes. A man cannot always carry them with him.

7. Does the manager stop the cost out of the wages?—Yes.

8. That may be the custom, but it is not legal: are you aware of that?—It is done.

9. You are not charged an excessive price?—No.

10. Is the price in Waimate higher than in any other town?—You cannot get them for less than 4s. in any town.

11. Is it not possible for a union like yours to import its own shears, and supply them to its members?—We are taking a ballot on that now, but the result will not be known before the conference.

12. You have no doubt as to whether these sheep-shears which are so useless are of English or foreign make?—They are of English make.

13. Have you any idea of their original cost price in England?—I am told it is from 1s. to 1s. 6d.

14. *Mr. Hutchison.*] How is it these shears wear so badly?—Because once an article gets a name anything is forced into the market.

15. It is not to the interest of the flock-owner to supply you with bad shears, is it?—I do not think so. They have better means of getting shears at a cheaper price than we have, and it is a matter of convenience on the back stations, because, if we ran out of shears, there would be a deadlock.

16. Am I to gather that the owners do not care about the character of the shears—that they get a cheap lot and make you pay 5s. in order to make a profit on them?—Well, there must be a profit.

17. But it is of no interest to them to give you bad shears?—No; they do not know what shears are given to the men.

18. *Mr. Stevens.*] You said something about your union intending to import shears for its members?—If the members are in favour of the proposal.

19. Do you not think you would run a great risk in doing that?—Our idea was to get a sample of shears from the co-operative works in England started by Burgon and Ball's late employés—I allude to some of the men who went on strike, and started works of their own; and we thought it would pay the men better to give 7s. 6d. a pair for good shears than 3s. for the article we are now getting. I think it would be to the interest of this factory to send us the best material.

20. But it would also be to their interest to send good material to Australia, because the merchants there import very largely, no doubt, and they would have to keep up their good quality to those people as well as to you. Is not that so? In my day shears used to be 6s. 6d., and we reckoned that one pair would shear 500 sheep, but some shears would not shear more than 300 sheep. I have shorn 1,000 with one pair of shears.

Mr. Pearce: I have shorn 3,000 with one pair.

21. *Mr. Hutchison.*] Do the large flockowners import their own shears?—No; the large firms here—viz., Dalgety and Co.—import them.

22. *Mr. Mackenzie.*] You get the same price for shearing sheep by machine that you do by hand?—Yes.

23. Are the machines much used?—Yes, on several stations in New Zealand.

24. What do they think of them?—Some of the men who shear with the machine cannot shear with the shears at all.

25. Are not a good many of these squatters giving up these machines?—Yes; there is not a man who will buy any of them now.

26. That is because they have to stand the wear-and-tear instead of the shearer, is it not?—Yes; it is more expensive to get the sheep shorn by machine that by shearers, and I hear that the manufacturers at Home are complaining of the wool being burnt by the machine.

27. Regarding the obtaining of supplies on back stations, the present system is no doubt a convenience to the men as well as to the squatters?—Yes.

28. Do you find them charge, as a rule, a reasonable profit?—In some instances, I believe, the squatters charge for shears at cost price. I have no fault to find with the men I have shorn for.

29. And even the extra 6d. would be lost on the other shears that are left over—on those that are discarded?—Yes.

Mr. Mackenzie: It was said that it was illegal to deduct the price of the shears from the wages. I think an exception is made in the case of farmers' supplies for the workmen on farms and stations, and I merely mention this and quote the clause in order that there might be no mistake. Subsection (8) of section 19 of "The Truck Act, 1891," is as follows:—

"19. This Act shall not extend or apply in the following cases:—

"(8.) To seamen or to persons employed in agricultural or pastoral pursuits:

Provided that no deduction or stoppage shall exceed the real and true value of any fuel, tools, implements, hay, corn, provender, victuals, drink, or materials: Provided also that the exemptions in this section shall not apply to any contractor or sub-contractor for any work executed under the General Government of the colony, or any local authority, or to any contractor or sub-contractor for any railway or road-making work, except in respect of money paid or advanced for medicine or medical attendance."

30. *Mr. McGowan.*] Supposing, now, a workman went to a station in the interior on a ploughing contract, would not he be almost compelled to get his food at the station, and would not the cost be deducted from his contract?—Yes.

31. Your main argument is to get this 20 per cent. taken off shears?—Yes.

Mr. Boone: I corroborate what Mr. Pearce has said.

32. *Mr. Mackenzie.*] Is the shearing-accommodation improved since the new Act came into force.

Mr. Pearce: It has been improved to a certain extent along the sea-coast, but in the Mackenzie Country and back country I believe it has not been improved.

33. *The Chairman.*] Is there a want of supervision?—The great fault is that there is no supervision when the men are actually shearing. That is the proper time for the Inspector to go, but I have never seen an Inspector at a shed when shearing is on.

34. Do you object to your names appearing in the papers?—No.

TIMARU.

FRIDAY, 15TH MARCH, 1895.

(1.) WILLIAM BOURNE examined.

1. *The Chairman.*] Will you please state what you are?—A cabinet-maker, residing in Timaru. I have been a wood-worker since 1840, and in business in the colony sixteen years.

2. What request do you wish to make?—I ask that veneers should be admitted duty-free, to enable us to compete with the Old Country. The matter of revenue is not affected, and the veneers we use are not made in the colony.

3. Cannot they be produced from wood grown in the colony?—Yes; but to import the machinery to do it would not pay. We use walnut chiefly.

4. Is there any other matter?—I am in favour of reducing the Customs duties all round, because they impoverish the country, destroy trade, and are the means of reducing wages. I am also in favour of a federal union, which high Customs duties will always operate against.

5. *Mr. Tanner.*] In the importation of veneers it is chiefly walnut that is used?—Yes.

6. Would mahogany veneer be imported if free of duty?—Yes. We could work up mahogany veneer with cedar for the solid parts.

7. Have you any idea of the total amount of importations?—No; it is very little.

8. *Mr. Hutchison.*] I understood you to be against Protection?—I do not call it Protection. I merely view the Customs duties in the light that they make the workers pay the expenses of government and of the borrowed debt.

9. But you are seeking Protection through this duty on veneers?—I ask for Free-trade.

10. *The Chairman.*] Do you object to your name being published?—No.

(2.) Samuel Kirby examined.

11. *The Chairman.*] What are you in business?—Quarryman and contractor. I have been in business twenty years.

12. We presume you have something to say in connection with the tariff?—Until the last three or four months we have been doing a fair trade with the North Island in blue building-stone, but since the depression in Victoria stone can be landed in Wellington from Melbourne at a far less price than we can supply it at without supplying it at a loss. I refer to Victorian blue-stone, exactly the same as ours. As Victoria charges a duty on all our products I think we should charge an equivalent duty on theirs, and I ask for a duty to be placed on the imported stone.

13. What is the value of the stone exported from here?—I send away one hundred and fifty pounds' worth a year, for monumental purposes chiefly.

14. What duty do you ask for?—I do not think anything less than 6d. per cubic foot would do.

15. Do you mean 6d. on all building-stone imported?—No; on all blue-stone.

16. What is the price at which this local stone is supplied to the builders in Wellington?—Two shillings per cubic foot f.o.b.

17. What does it cost landed in Wellington?—The freight is more than from Victoria. It is 10s. a ton from Melbourne to Wellington, and from here 10s. 6d. to Wellington and 12s. 6d. to Auckland. We reckon 14ft. to the ton.

18. At what price do they put the stone on board in Melbourne?—A leading man in Wellington told me he could put the stone on board at 1s. a foot, but I do not believe that.

19. *Mr. Tanner.*] You say it can be put on board here at 2s. a foot?—Yes, that is the average price. Some would be 2s. 6d. and some 2s. 9d.

20. *The Chairman.*] Have you any objection to your evidence being published?—No.

(3.) James Lillico examined.

21. *The Chairman.*] You are the manager of the South Canterbury Woollen Manufacturing Company?—Yes.

22. How many hands do you employ?—Eighty. About half male and half female.

23. How long has the factory been started?—Eight years: it has been two years under the present company.

24. What are the wages paid?—For men, about £2 10s. a week; for females, about 18s. a week. We pay £100 a week in wages.

25. What is the value of the annual output?—About £12,000.

26. What do you manufacture chiefly?—Tweeds; also flannels, blankets, rugs, yarns.

27. We presume you have something to say in connection with the tariff as it affects your industry?—We ask that the following items should be admitted free, they are used in our manufactures and pay duty at present: Card clothing; machine furnishings; fancy, worsted, and silk yarns. Machine furnishings are duplicate machine parts which have to be imported. We also ask for a duty of 100 per cent. on imported flannelette. It is composed of cotton, and people buy it under the impression that it is all wool. As regards the tariff on tweeds, there are two items we are not satisfied with—the question of short lengths, and union and cotton tweeds. We ask for a duty of 50 per cent. on lengths under 25 yards, and 75 per cent. on the union and cotton tweeds invoiced up to 2s. per yard, both piece-goods and manufactured.

28. *Mr. Tanner.*] Do you keep the mills running the whole year?—Yes.

29. I think your average wages must be much too high—viz., £2 10s. and 18s. Taking your figures it comes to £160 a week?—I do not know whether my estimates are correct without looking them up. A number of the females are on piecework, averaging £1 to £1 5s., and a number of girls average 7s. and 8s. a week.

30. *The Chairman.*] I suppose the average you give is not the average for all your hands, but that you mean that the men are averaging £2 10s. a week?—My answer refers to men only.

31. *Mr. Tanner.*] If we say you have forty male hands, the men would earn £2 10s. a week, and if you have forty female hands, the average at least would be 18s. Is that so?—The better way would be to take the boys and girls out. There are about fifteen girls and twenty boys.

32. That is to say, nearly one-half of them are boys and girls, who would be omitted in this calculation?—Yes.

33. Can you tell us what card clothing is?—It is the steel wire fixed into leather for carding the wool. We have to renew it from time to time, and it is not made in the colony. All the mills together would use a thousand to twelve hundred pounds' worth a year.

34. Seventy-five per cent. on union and cotton tweeds, invoiced at 2s. per yard, would mean that they would pay a duty of about 1s. 6d., would it not?—Yes; perhaps 2s. is rather high. The Home price for some is 1s. 3d. or 1s. 4d., and 1s.

35. But, in any case, whether you fixed the limit at 1s., 1s. 6d., or 2s., that would not be material to the question, because the price would then be increased by three-fourths. Would not that be an inducement to the English exporter to value the material at 1d. or 2d. below the 2s. limit in order to escape the 75 per cent. duty?—It would certainly be an inducement; but if we were

to make the limit higher than the general price of these goods there would not be so much inducement for it. That is the reason I mentioned 2s., because there are very few goods of that class which come up to this price.

36. *Mr. Mackenzie.*] I understand that the object of putting the 100 per cent. duty on flannelette is to compel the New Zealand buyer to buy flannel. Do you want a duty put upon cotton and unions, as well as on flannelette?—No; I do not think that these goods interfere with our trade, which is only in flannel. They interfere with the sale of the latter.

37. Then, if you put a heavy duty on the flannelette, would it not compel people to use union and cotton?—I do not think so.

38. What is the price of the woollen shirtings you make?—One shilling and threepence a yard.

39. Would a woollen shirting at 1s. 3d. wear as well as a flannelette costing 9d. or 10d.—for a working-man?—I do not think the flannelette interferes with the woollen trade. It is the flannel trade which suffers. Our lowest class flannel is 8d. per yard.

40. That is made up more into garments for children?—Yes; and it is sold as flannel.

41. Therefore you do not want the duty on flannelette to interfere with the shirt trade?—I do not think it interferes with the shirt trade, only the flannelette trade.

42. Can you give as good a wearing flannel at 8d. as you can get a flannelette at 8½d.?—I have never tested the flannelette.

43. Cannot you compete at present with the 2s. tweed against the Home market?—We can compete with the better class of goods—that is, all-wool tweeds, but not with the lower-class tweeds.

44. Supposing I were to buy a web of cloth at Home, and have it invoiced to me at 2s. per yard, do you not think I could buy tweed as good as that made at the Mosgiel factory at the same price?—I only ask for an increased duty on union and cotton tweeds, and not for any increase on woollens in that line.

45. Is it not a fact that in the North Island these cotton tweeds are very largely used for children's clothing in the summer time?—I cannot say.

46. Well, the effect of what you are now asking would be to make a lot of clothing that people must buy for children much dearer than it is at present: is that not so?—They would get more satisfaction out of our woollen goods than they get out of the cheap stuff that comes from Home.

47. Do you mean to say, from your experience, that an all-wool tweed at 1s. 6d. will wear as well as a strong cotton-tweed in a boys' suit—that is, for tearing about?—Yes.

48. *Mr. Stevens.*] How do you account for people preferring cotton goods or flannelette to the flannel and woollen goods you produce?—The name flannelette is very misleading; and I believe a number of people are led into buying it as a substitute for wool by that reason.

49. Do you not consider that the appearance of the flannelette has something to do with it also?—I do not think it has. In some cases it may be so, but not as regards underclothing.

50. Well, for children's clothing?—It may be so. It is in underclothing chiefly that we consider the flannelette interferes with the flannel trade.

51. I understand that these cheaper union tweeds interfere with your cheaper class of woollen tweeds?—Yes.

52. Do you turn out the same variety of patterns as are imported?—Yes. We make as large a variety of the low-class tweeds as we do in those of the better class.

Mr. Glasgow: With regard to worsted yarns, the Roslyn woollen mills make these yarns, and that fact would be a great objection to their being admitted free.

Witness: You will notice that the higher-class worsted and silk fancy yarns are used for mixing with woollen goods. We have not tried the Roslyn, but some other mills did, and the Roslyn refused to do it. These yarns have to be imported for a certain class of wools and tweeds, and the Roslyn is the only mill that has this worsted machinery. The duty asked for would not interfere with them, because they do not make the yarns for sale, but only for their own use.

53. *The Chairman.*] Do you care whether or not your name appears in print?—I do not object to my name appearing as having given evidence, but I understand that the evidence of other woollen-mills has not been published.

(4.) Jonathan Allpress examined.

54. *The Chairman.*] What are you, Mr. Allpress?—A sauce-manufacturer. I have been in business eight years and employ labour all the year round, growing the material used in my industry. I also keep a few boys packing goods for sale.

55. What do you wish to represent?—I wish to point out that under the tariff of 1888 imported sauces are charged duty as "reputed pints and half-pints"—that is, according to imperial measure of 20oz. and 10oz. respectively. The duty is 3s. a dozen on pints and 1s. 6d. a dozen on half-pints. Now, the "standard" measure of sauces is: pints 12oz., half-pints 6oz. (they are the actual contents); consequently an imported pint-bottle of sauce pays duty at the lower rate, as a half-pint, instead of as a pint. We consider we are unfairly handicapped in a competition with the imported article in this respect, and we ask that that anomaly should be adjusted. I have no objection to my name being published.

(5.) Deputation from the Timaru Harbour Board (John Talbot, Chairman; W. J. Tennent, Secretary).

56. *The Chairman.*] I understand you gentlemen have some matters to represent in connection with the tariff: will you kindly state them, Mr. Talbot?—We have waited upon you in connection with the import duties at present levied on ropes and parts of dredge machinery used by the

Harbour Board. We claim consideration on the ground that the Government Railway uses our wharves and makes us no payment in return. In the case of dredge machinery, one single bucket costs us about £30 in duty alone.

57. *Mr. Glasgow.*] Does a bucket cost £150 ?—About that sum.

Mr. Tennent: We use the Priestman buckets; dredging machinery for gold-mining is admitted free, and we see no reason why we should be charged a heavy duty.

58. *The Chairman.*] Cannot this dredging machinery be made in the colony?

Mr. Tennent: They are patent dredges. As regards the ropes, we refer to both manila and coir ropes. They run up to 20in., and a single rope will cost from £90 to £100. During some years we have imported eight hundred pounds' worth, and the Government have several times promised us consideration, and have stated that when the tariff was altered this matter would be attended to. We find the locally-made ropes get very hard, and shrink; they do not answer our purpose in the water anything like so well as the imported rope.

59. *Mr. Tanner.*] May I ask what was the total cost of the new dredge, Mr. Talbot?—About £17,000. The contract price was £15,550, but the extras made it up to £17,000.

60. Did you have to pay 20 per cent. duty when that dredge was imported?—The Government would have charged duty if they could have done so, but she came out as a ship, and the appliances then on board were part and parcel of the vessel, and escaped duty.

61. Can a dredge be made in the colony?—Yes. We called for tenders in the colony for ours, but the local tender was £6,000 more than the Home tender.

62. I think it is a matter of public importance to you to put yourselves right before the Commission, because a rumour has been spread abroad, and one which has never been contradicted, to the effect that you sent Home for a vessel which a builder here had offered to build in the colony at a lower price than the Home offer?

Mr. Tennent: The offer of John Anderson and Co., of Lyttelton, was £6,000 more than the Home tender.

Mr. Tanner: Thank you. I am very glad you have made it clear.

63. *Mr. McGowan:* Do you find any difficulty, Mr. Talbot, in getting the Priestman buckets repaired here?—We get them repaired easily.

64. What would be the parts you would require to import?

Mr. Tennent: We simply import the buckets as a whole, and we have also imported separate sets of teeth.

65. *Mr. McGowan.*] Have you imported separate sets of teeth knowing you could get teeth supplied here?

Mr. Talbot: We could not get the teeth here; we get them repaired or straightened locally.

66. If the teeth were broken, could you get them renewed here?—I doubt it, and I do not think we have had new teeth supplied here.

67. Can you mention any of those duplicate parts of dredge machinery that cannot be manufactured in New Zealand?

Mr. Tennent: Teeth are the only extra parts we have had. The buckets have usually been imported whole.

68. *Mr. Stevens:* Which ironworks have you tried in order to ascertain whether it is possible to get teeth for the dredge-buckets made in the colony?—Kincaid and McQueen, Morgan and Cable, and John Anderson have executed repairs for us.

69. Did you ever ask them to supply teeth?—I do not think so.

70. Does your remark apply to dredge-buckets only, or do you wish all parts of machinery to be admitted free?

Mr. Talbot: Wheels, or cranks, or anything belonging to the dredge machinery. In fact, dredge-pump fittings are even more necessary to import than grab-dredge fittings.

71. I presume the cranks and wheels can all be manufactured here?—We should not think of importing any materials that could be made here.

72. *The Chairman.*] You ask that dredges, dredge appliances, and all parts, should be duty-free?—That we should be placed on the same footing as the goldfields in regard to the importation of machinery.

73. Were John Anderson and Co. the only tenderers for the dredge? Did Kincaid and McQueen tender?—No. We got a very large crane from John Anderson, which was a failure; it cost a large sum. Kincaid and McQueen built one later on.

74. Is there any other matter you wish to mention?—I might add that the Government import during the year thousands of tons of coal into Timaru, also sleepers and telegraph-posts, all free of wharfage.

75. *Mr. Tanner:* Do you consider that fact a hardship?—Yes, when they charge us so very heavily on everything that we import.

76. *The Chairman.*] Do you object to its being mentioned that you have appeared on behalf of the Board?—No.

ASHBURTON.

SATURDAY, 16TH MARCH, 1895.

(1.) CHARLES MYTTON BROOK examined.

1. *The Chairman.*] I think you are a manufacturing chemist in Ashburton, Mr. Brook?—Yes; I have been fifteen years in the business, and am also a manufacturer of sheep-dip. I generally employ three men, and the wages are 8s. a day.

2. We presume you wish to say something in connection with the tariff as it affects your industry?—I send out sheep-dip to the value of about £1,200 annually, and with a duty of 10 per cent. on the imported article I would double my sales. My dip is as good as the imported, and the preference for the imported is simply a matter of sentiment and public fancy.

3. What is the relative price now as between your dip and the imported?—I sell mine in Ashburton at £2 15s., and outside at £3, in quantities to make 1,000 gallons of wash. In the North Island and Southland it costs £3, as against Cooper's £3 15s.

4. Is Cooper's an average-price dip?—It is more expensive than others.

5. Is yours what they call an arsenic dip?—It is a poisonous dip.

6. Is the dip you manufacture capable of standing comparison with imported dips as regards efficiency?—At a public trial held in Christchurch eight years ago mine was third in competition with eight others. That was the first year I made it, and since then it has been further improved. The two dips that took precedence were colonial dips—Merton and White's and "Zealandia." Cooper's, Little's, and Macdougall's were also in competition with mine.

7. And the imported dips were not placed?—They were Nos. 6, 7, and 8, I think, speaking from memory.

8. Did they all take rank after the colonial?—Yes.

9. Under whose auspices was that trial?—Under the Canterbury Agricultural and Pastoral Association's. I attended every examination, and I consider that it was conducted in the strictest manner possible. The only objection I had to that trial was that the wool was scoured and dyed; but no points were given for this part of the trial; whereas in that particular case mine was placed first by the Kaiapoi Woollen Company, quite irrespective of whose wool it was. Mine dyed best, and if they had made the award on that basis mine would probably have been first. For manufacturing purposes mine leaves the wool absolutely in the best condition.

10. You state you have improved the dip since that occasion, and that you make a better dip now?—Yes.

11. Can you undertake evenness of quality—that is to say, can persons purchasing your dip from year to year depend upon getting precisely the same article?—In an ordinary way, there should be no variation at all.

12. Is there any risk of a flockowner, in purchasing dip from you, finding it turn out utterly valueless?—I can safely say there is not.

13. Can it be depended upon as regards evenness in the same manner as the Home dips can be depended upon?—I am quite sure it can be. The orders I have received from Invercargill, from Whittingham Brothers and Instone, have risen from £40 to £240, which indicates that the dip is in demand, and that it is increasing.

14. Supposing this duty were imposed, would not the effect immediately be that the local manufacturers of dip would raise the price correspondingly?—I say emphatically No, and that my price would not be raised.

15. *Mr. Tanner.*] Am I right in assuming that you are exposed to no other risks as regards your dip turning out effectively or ineffectively than the imported dips?—There is not the slightest risk in mine not turning out as good as any in the market.

16. *Mr. Mackenzie.*] You say you charge £1 less than Cooper's?—Yes.

17. Do you think that by making Cooper's 5s. dearer you would stop people from buying it?—I do not say it would stop them from buying it, but I say it would influence them to the extent of 10 per cent.

18. But that would not double your output, as you said just now?—I certainly think the output would be increased. I only sell my dip at £1 less than Cooper's in Ashburton. Outside Ashburton it is 15s. less, as the agents of imported dips sell at £3 10s., and even £3 5s. for large orders.

19. Would not it suit you better to have the duty taken off the ingredients required in the making of the dip, instead of having the duty on the manufactured article increased?—There is no duty on the ingredients I use.

20. You do not use sulphur?—No. Last year I paid £4 to the Railway Department for the carriage of arsenic and soda of potash, obtained in Christchurch at £1 13s. per ton.

21. Is yours a liquid dip?—Yes.

22. Do you use crude oils?—No; I use tallow.

23. *Mr. Stevens.*] Do you know of any dips which are non-poisonous?—I know of lots of non-poisonous dips, such as Little's, Macdougall's, Jeyes's, Carbol Crystal, Climax, Lawe's, Ness, Noxona, Bankhall, Tinbell's, &c. Each of those advertise that they are positively non-poisonous. They answer for the time being, but they do not kill the young ticks. The difference between my dip and other non-poisonous dips is that the latter are made from the coal tar, and the Kaiapoi Woollen Company will not buy wool dipped in them.

24. Is Macdougall's dip composed of coal tar?—Yes.

25. You probably consider that that dip is not so good as your dip?—In my opinion, it is not so good as mine. I think Macdougall's was the last at the trial.

26. Is not Macdougall's dip used largely in New Zealand?—I do not think so. It had a show perhaps eight years ago, but that trial put it back considerably. Four years ago there was good sale for it in Otago.

27. Supposing a duty were placed on imported dip, would that have the effect of raising the price of dip to the consumer, or would it lessen the profits now received by agents?—I think it would lessen the profits received by agents, as the imported dips would be placed on an equal footing with the locally-made dips. English-made dip can be put into New Zealand cheaper than I can ship it from Ashburton to other parts of the colony.

28. Are the ingredients of your dips a secret of your own?—My dip is, in one sense, a secret; but I have not patented it, for the simple reason that I would then have to divulge what it is made of.

29. Does your price of £3 for your dip include railway freight?—Any purchaser from me practically gets it carriage-paid.

30. Does the firm to which you refer in Invercargill get it for £3?—Yes, with 25 per cent. off, and they pay the advertising.

31. But a Southland farmer cannot rely upon getting it for £3 from the Invercargill firm?—Yes. The Invercargill firm only pays me £2 5s., and they charge the farmer £3.

32. *The Chairman.*] Do you object to your name appearing in the papers?—I do not wish any reference made to my evidence.

(**2.**) HENRY ZANDER examined.

33. *The Chairman.*] What are you, Mr. Zander?—A general importer.

34. How many years have you been in business?—Sixteen years.

35. We presume you wish to make some representations regarding the manner in which the Customs tariff affects your business?—Yes. The first item is binder-twine. I have had several requests from farmers to bring this question before you. There is a duty of 15 per cent. on the imported article, but very little is imported, and the removal of the duty would benefit the farmers very largely. The consumption of this district is 125 tons a season, the average value being about £50 a ton. The duty on that quantity would amount to about £1,000, and this amount goes entirely into the pockets of the manufacturers. I am alluding to twine imported from America and the United Kingdom. To show the profit the local manufacturers are making, I might mention that last season they sold their twine to the neighbouring colonies at the following rates: Flax, 2¾d. per pound; mixed, 3½d.; manila, 4¾d.; whereas the prices ruling in this colony were: Flax twine, 4½d.; manila, 7d., less a discount of 5 per cent. up to 10 tons. I believe Mr. Oatway interviewed you in Dunedin in reference to this matter, and produced his original invoices. I have also invoices I could produce, but I have not them with me.

36. Are you under the impression that if the duty were removed the local manufacturers would reduce the price of twine correspondingly?—Yes, without any doubt, because the outside competition would compel them to do so.

37. Can the outside makers land twine in New Zealand duty-paid at the same price as the local manufacturers sell it for?—I have imported manila twine from Belfast, and have landed it here at 5⅝d. duty-paid.

38. Supposing there were no duty?—We could import at 4¾d.

39. What is the price at which the local manufacturers can produce twine?—Last season the price of manila twine was 6½d., less 10 per cent.

40. It is said that twine can be produced now in the colony at a lower price than formerly?—Perhaps it can.

41. If it can be produced much cheaper than formerly, would that not be likely to shut out competition?—The local manufacturers might be able to shut out the flax twine, but they could not shut out the manila.

42. *Mr. Mackenzie.*] Was there an extensive sale of New Zealand twine carried on from Australia at the prices you name?—Yes. I have had invoices for 165 tons of New Zealand twine shipped from Australia.

43. At 2¾d. per pound?—At both prices I have mentioned.

44. What proportion of the 165 tons was represented by New Zealand flax twine?—It was mostly New Zealand flax.

45. Did that transaction extend over a long period, or was it just a sale or two?—Nearly all one sale.

46. Is this likely to occur again, or was it an exceptional occurrence?—I believe it was an exceptional occurrence that year. A "ring" was formed, and on that account the twine was imported.

47. Did the sale arise from the fact that the makers had a large stock which they had to dispose of by some means or another?—I do not think it was on account of the large stock, because they have sent twine to Australia for many years.

48. Can you go to Australia and buy New Zealand flax at 2¾d. per pound?—Not at 2¾d., but, perhaps, at 3d. The twine is sent from New Zealand to Australia at 2¾d. invoiced here.

49. If you were buying in Australia now, could you get New Zealand flax twine at 2¾d. per pound?—No; they have to pay freight.

50. Are you quite sure you could get twine from the market now at 2¾d.?—In Christchurch they bought New Zealand flax twine last November at 3d. per pound.

51. Could you at any time between last November and now have obtained from the New Zealand manufacturer New Zealand twine at 2¾d. per pound if you had been an Australian merchant?—Certainly. Both the Donaghy Company and the Auckland Fibre Company have sold twine at 2¾d.

52. You could have got it from that time until now?—I could not say now, as I do not know whether they have any stocks, as the Australian season is long before ours.

53. That is all the greater reason why you should be able to get twine here at the lower price. I wish to ascertain whether this business of sending New Zealand twine to Australia and reshipping it hither is the usual practice, or whether this particular case was an abnormal occurrence?—The case referred to was the first time it has come before the public. As to whether it has been the practice or not I cannot say. You may rest assured that Mr. Oatway would have hunted them out if there had been other cases.

54. Have you imported twine to this colony from America?—Yes.

55. What was it invoiced at?—4½d. per pound, less 10 per cent.; for 10 tons, less 5 per cent.

56. Then, your opinion is that if you were in Australia it could be obtained at 3d.?—Yes.

57. You land manila at 5⅝d., paying the duty?—Yes.
58. The duty on that would be about ½d.?—Yes.
59. At that time you say that the New Zealand twine was selling here at 4½d., less 10 per cent.?—Yes.
60. Is there much manila twine used by the farmers here?—As a rule, there was formerly more manila twine than flax twine used by farmers, but now they use the flax chiefly.
61. So, if the 15 per cent. duty were taken off, and the same circumstances continued in existence that now obtain, the farmers here would not get the benefit of the difference?—No; but I am referring to New Zealand twine taken to Australia and reimported. I am not speaking of the English twine.
62. The advance is 50 per cent. invoiced to you at the English price; the duty would be 15 per cent., and the discount 5 per cent., so that there would still be a difference in excess as charged to you of 30 per cent. Is not that correct?—There is no duty on New Zealand twine, and I refer to New Zealand twine taken to Australia and reimported.
63. *Mr. Mackenzie.*] That makes my argument stronger.
Witness: If the New Zealand makers can sell twine to us at 2¾d. we could retail it at 3d. and make a profit.
64. *Mr. Hutchison.*] You say you would pay 3d. for it in Australia, but then you would have freight to pay, which would bring it up to 3¼d.?—No, not even 3⅛d.; we have got twine over at 10s. a ton.
65. Does it not occur to you that if the merchants here sent their twine to Australia, and reimported it, they would in time all be ruined?—They do it.
66. They cannot regulate the Australian market if they live here?—Well, a shipment of twine from the Auckland Fibre Company was sent to Sydney at 2¾d. per pound, and without being unloaded at Sydney returned per same, s.s. "Waihora," to Dunedin at 3d. per pound.
67. But did it come back again?—Yes.
68. That answer qualifies what I say, that the local makers have no power to regulate the Australian market. Is the New Zealand flax twine the twine that is most in use here?—Yes.
69. Is it the cheapest?—Yes, in one way, and yet it is not. The farmers know that. This year the crops were light, and they thought the flax would therefore answer the purpose. In the manila twine the strand is heavier than in the flax twine, and it makes this difference: that if the farmer uses a machine he does not want any breakages.
70. *Mr. McGowan.*] Regarding this shipment of twine sent over to Australia, do you not think it possible that this shipment was what would be termed "surplus stock," and that it would be sold for what it would fetch?—No, it was good stock, and as good as any twine made.
71. Why do you arrive at that opinion?—Because every year twine is exported to Australia from New Zealand.
72. The whole matter seems to be, what is a legitimate price for twine? Is 3d. the usual price they sell the twine at in Australia?—I cannot say.
73. Is it a legitimate price, or a fair value for it?—It is fair value.
74. How do you arrive at that opinion?—Last year we bought flax twine at 4d. from the factory, less discount. The difference between the value of the raw material this year and last year is at least £4 a ton.
75. Is it not a fact that sometimes you are obliged to sell some of your stock at less than cost?—Not unless it is old stock, and unsaleable.
76. What do you do in the case of surplus stock, supposing you have it?—If it is good stock I would not sell it under cost price.
77. *The Chairman.*] What is the next item?—Ploughshares. I believe a duty was placed on ploughshares to assist the colonial manufacturers. I do not wish to stop the local article from being supplied, but, as a matter of fact, the ploughshare manufactured in the colony is of no use. Out of every dozen, ten are useless. The farmers ask that this duty should be abolished.
78. Is the difference due to the fact that the manufacturers at Home have a secret of hardening the metal so that it lasts longer?—Yes. The local makers cannot chill the metal in New Zealand. Ransom and Sims' ploughshare will stand three times as long as the colonial share.
79. What are the shares retailed at?—The English share is sold at 17s. to 18s. a dozen, according to size.
80. If there were no duty, I presume it would be possible to sell it at 14s.?—Yes.
81. How many shares would a man in the ordinary way use in the course of a year?—With one plough, I should think three dozen.
82. *Mr. Hutchison.*] If there were no duty on ploughshares the saving to a farmer in a year would be about 9s.?—Yes.
83. Do you think that is too high a price to pay for the encouragement of colonial manufacture?—Certainly it is if the article is of no use.
84. Supposing the share made here now is not so good as the imported article, do you not think that time will improve it?—The local makers have tried to improve it, but they have not succeeded. P. and D. Duncan have manufactured ploughshares for five years. It is four years since the duty was put on, and their ploughshare is not any better than it was four years ago. I do not ask that the duty should be removed altogether. A reduction by one-half would be a fair consideration.
85. *The Chairman.*] Is there any other matter?—There is a duty on imported gorse-knives and slashers, but the colonially-manufactured article is a very inferior one as compared with the imported. I have now in my store sixteen colonially-made gorse-knives and slashers that have been returned by farmers. Some have been used only once, and have broken or bent at the first blow. The complaints are similar to those regarding the ploughshares—the colonial article is not made hard enough. [Samples of damaged colonially-made slashers produced.]
86. Did you ever try any slasher knives made in Invercargill by Edwards?—Yes.

87. How did they turn out?—Just the same as the others.

88. What is the wholesale price of the imported slashers?—They range from £1 9s. to £2 15s. or £3 a dozen. There are some heavy American slashers that cost about £3 5s. a dozen.

89. Is not the price of the Invercargill slashers £2 2s. a dozen?—About that.

90. Then, you say they are not so strong as the imported?—No.

91. If it were claimed that they are absolutely stronger, and that a Home firm has been pirating this man's invention, your experience would not bear that out?—No.

92. *Mr. Mackenzie.*] Did not this man at Invercargill really discover what the colonial people wanted?—Yes, as far as the shafts were concerned.

93. Did not he discover not only the shafts but the manner in which to properly attach the slashers to the handles?—Yes.

94. And the latter was a great improvement?—Yes.

95. What do you find wrong in the colonial slasher?—The tempering of the blade is not good enough, and the blade bends.

96. Is the average of the colonial knives inferior to the average of the imported ones?—Most decidedly it is. We never hear of an imported English knife bending. If a man uses a very light slasher for a heavy fence he will break an English knife before he will bend it.

97. Do not some English knives break in the place you refer to [sample of colonial article produced] ?—I have not heard so.

98. Have you ever had any experience of English axes?—I only keep American axes.

99. Do they make axes in New Zealand?—I could not say.

100. *Mr. Stevens.*] If we had evidence that the colonial gorse-knife was superior to the imported knife, what would you think of that evidence?—I could not credit it, neither would our farmers here.

101. What is the difference in price between the imported and the colonial slasher?—Comparatively speaking, the colonial slasher is far too dear, and if there were no duty the local makers would reduce the price, and still make a very handsome profit.

102. *Mr. Hutchison.*] The local manufacturers seem to be very fair, however: if a slasher breaks they take it back. Is that not so?—Yes; that arrangement is only fair, but it is not what the farmer wants.

103. The prices you quoted are English prices?—Yes.

104. What are the prices of the colonial knives?—About the same as the imported. There are many colonial shafts that are preferred to the English shafts, and if the colonial knife could be made as good as the English knife I would not object to the duty at all, and there would be very few imported.

105. *The Chairman.*] Is there any other matter you wish to refer to?—Yes, the question of pickles. Before the duty was put on we used to buy McLean's pickles at 5s. 6d. a dozen; after the duty was imposed the price was immediately raised to 7s. a dozen, and since Hayward Brothers have taken over the Christchurch company of McLean the price has gone up to 8s. a dozen. The consumption of pickles is enormous, and although I agree that this article can be made up satisfactorily in the colony, still I do not think the amount of the duty should go into the manufacturers' pockets. I ask that the duty on pickles should be reduced. The quality of the local article is good, but, speaking from my own taste, I prefer the imported.

106. *Mr. Tanner.*] When was the price increased to 7s. a dozen?—When the duty was put on or increased.

107. So that the price has been increased by the amount of duty?—Yes.

108. *Mr. Mackenzie.*] What are the colonial pickles retailed at now?—9d. cash, 10d. booked.

109. What were they sold at in 1887, prior to the duty?—6d. and 7d. imperial pints. The bottle was a smaller one than at present in use.

110. Were they the octagon shape or the round shape?—The latter.

111. Were those pickles cheaper then than they are now?—Yes.

112. What is the same bottle sold at now, retail?—10d.

113. Therefore the increase has been from 6d. to 10d.?—Yes.

114. How do you account for the increase of 4d.?—We pay 8s. a dozen to the wholesale man.

115. *Mr. McGowan.*] Has the foreign pickle been squeezed out by the local pickle?—The ordinary pickle has.

116. Do you import Holbrook's now?—No; only Cross and Blackwell's, and a pickle called "Captain White's."

117. If you did not import these brands, would not the local makers soon double the price?—About that.

118. Do you remember the cost of Holbrook's pickles at the time you were speaking of?—I believe the cost was 7s. 3d. a dozen imported.

119. *The Chairman.*] Are there any other matters, Mr. Zander?—It appears that there is a great deal of malpractice regarding the sale of tobacco and cigarettes, and I wish to throw out a suggestion—viz., that every person who sells tobacco and cigarettes should be licensed. That would do away with the sale of cigarettes by the small fruit-shops, where an inferior and cheap article—such as threepenny-packets—is sold to boys of tender years.

120. What license-fee do you think should be imposed?—I would suggest a fee of £5 a year. I have seen several of the leading tobacconists, and they are quite willing to pay a license-fee.

121. *Mr. Mackenzie.*] What is your opinion about selling cigarettes to boys at all?—I think it ought to be punishable.

122. Would you be in favour of stopping the sale to children under fourteen years of age?—Yes.

123. *Mr. McGowan.*] Would not the result of your suggestion be to close a number of the small shops?—I did not say "close them"; it would prevent them from selling tobacco.

124. Do you not think that would be hard on the small shops?—Not at all, because they do not keep a good cigarette, or good tobacco. They sell the threepenny-package cigarettes, which have done a lot of harm.

125. That is quite true; but, still, they sell the same class of article which is also supplied by the larger dealers: it that not so?—No. You cannot get the inferior article I allude to in a large shop. It would not pay a large dealer to keep it.

126. Have you ever heard of tobacconists combining and interviewing agents who refuse to sell the particular class of cigarettes you refer to?—No. The tobacconists want to do away with three-penny brands altogether.

127. Have they interviewed the wholesale dealers with a view to preventing the sale of this cheap cigarette?—Yes.

128. *Mr. Mackenzie.*] Did you ever buy New Zealand twine through Australia?—Not previous to the present occasion. I have bought New-Zealand-made twine through Mr. Oatway at 3d. per pound, freight added.

129. *The Chairman.*] Do you object to your name being published?—No.

The Chairman: Gentlemen, Mr. Zander wishes to say a few words *re* salt.

Mr. Zander: I wish to ask you to recommend coarse salt to come in duty-free, as a large quantity is used now for the eradication of the Californian thistle. The salt used from Adelaide, so-called agricultural salt, is of little or no use, as it evaporates too quickly. The coarse salt is also largely used for preserving hay, and, if admitted free, will help to improve the land.

(3.) Deputation from the Agricultural and Pastoral Association (Donald Williamson, Rudolph Friedlander, and Henry Zander).

130. *The Chairman.*] I understand you gentlemen appear here on behalf of the Agricultural and Pastoral Association?—Yes.

130A. Who is your president?

Mr. Friedlander: Our president is unavoidably absent, and Mr. Williamson has kindly consented to come with us instead.

Mr. Williamson: We have no very special matter to bring before the Commission, but we would like to impress upon the members of it the importance of keeping the farming interest in view in any alterations that are likely to be made in the tariff. We are suffering a good deal from the fall in the price of wheat and sheep, and we hope that any alteration that it is possible to make in the tariff in the direction of assisting the farming interest will be made. Mr. Zander has gone very fully into the duty on binder-twine; and we are of the opinion, also, that the duty on this article is quite uncalled for. We also think that sheep-dip should be continued on the free-list. With regard to ploughshares, we are prepared to indorse all that has been said by Mr. Zander, and we think there should be no tax on ploughs at all. Wheat and flour have both been imported into New Zealand, but our association does not wish to raise any obstacle to any chance that there is of obtaining free-trade between the colonies. Still, while prohibitive duties exist in the other colonies our produce should be protected in a similar manner, not forgetting that it is desirable that all these duties should be removed. While they exist we think our wheat and flour should be protected.

131. *The Chairman.*] Do the same remarks apply to horses?—Yes.

132. Do you agree with Mr. Zander in his reference to the gorse-knives?—My experience in that matter is not so large as his, and even some of the knives that have been produced do not appear to be in a very bad condition. No doubt once these industries are established the duties could be reduced.

133. Regarding sheep-dip, in your experience is the colonial dip as good as the imported?—Some colonial dips are as good as the imported.

134. In this district do flockowners use imported dip or locally-made dip?—They use the imported dips. I think Cooper's is the most largely used.

135. Then, you do not think the colonial dip would take the place of the imported?—I think that those people who are in the habit of using the imported dip would hold to it, even if the price were raised.

136. But if the price were raised?—Then they would have to get a cheaper dip.

137. *Mr. Hutchison.*] I think you agree with the opinion that has been expressed that, while the other colonies choose to place a tax on our products, we should also place a duty on theirs?—Certainly.

138. Is it the fact that our wheat is soft, and requires a little Adelaide wheat mixed with it to make good flour?—We never have any Adelaide wheat in this district, and no better flour is made in New Zealand than in Ashburton.

139. Do we really need to get any wheat in free?—I do not think so; but there may be an exception in the case of a very wet harvest.

140. Do I understand that we do not grow more wheat than we really require?—Well, not much more.

141. Then, the price of our wheat here ought not to be regulated by the London market?—The price is not so much regulated by the Home market as by the colonial market. Last year we were receiving a price for wheat that the London market would not have warranted. We received as high as 2s. 6d., and we could not have got that had we relied upon the London market.

142. Is that your opinion also, Mr. Friedlander?—We are not ruled by the London market. Last year we paid 2s. 6d. and a little over for wheat, whereas we would not have had to pay more than 2s. for wheat for export. Even at the low price we pay for wheat now, with the prices ruling at Home we could not export it.

143. *Mr. Mackenzie.*] Do I understand you to say that our wheat prices are not regulated by the foreign market?—If you take a large part of the wheat-producing world, of course, the price

would be regulated by the quantity produced and by the demand; but there are exceptions, and a cause for that, as I have pointed out.

Mr. Hutchison: The cause here being that we do not produce more than we require.

Mr. Friedlander: Since the last few years.

144. *Mr. Mackenzie.*] If the foreign market does not regulate the price of wheat, what does regulate it?—The local consumption, as far as the last two years are concerned.

145. If New Zealand did not produce more wheat than she required, then internal consumption would regulate the value; but as we export a surplus every year, it seems to me, with the exception of local requirements, that it must be the foreign market that regulates the price. Is it not a fact that wheat grown in the Otago Lakes district is equal to any wheat grown in the world?

Mr. Williamson: In a season like this that is correct, as far as Canterbury is concerned.

146. *Mr. Stevens.*] Can you give any reason why the price of wheat is so low, although the quantity produced is less than what it was in 1882–84?

Mr. Friedlander: I would not like to go into that question by myself.

147. *The Chairman.*] Is there any other matter you wish to mention?

Mr. Zander: I have been requested by the farmers to ask that salt should be admitted free, as it is used for agricultural purposes. I refer to the coarse salt; the duty on dairy salt could be retained.

148. Why should there be an exception?—Because the latter is used in small quantities, while the former would be used in tons.

149. Do you other two gentlemen agree with Mr. Zander's request?

Mr. Williamson: The County Council have decided to purchase two trucks of salt, and to supply it to the farmers at cost price, to enable them to eradicate the Californian thistle. That would be a further argument in favour of allowing coarse salt to come in free.

150. *Mr. Mackenzie.*] How is it applied to the Californian thistle?—The thistle is cleared off, and the salt applied to the surface to the depth of about 1½in.

151. Has the experiment been tried here?—Several farmers have tried it on a limited scale.

152. With what result?—It kills the thistle.

153. Do you find the Black Horse salt superior to Adelaide salt?

Mr. Zander: Yes—that is the brand I particularly allude to. I also advocate its use for the preservation of hay, for which Adelaide salt is almost useless.

154. Do you consider the Black Horse salt to be 25 per cent. better than the Adelaide salt?—Yes.

155. Have you ever tried poisonous sheep-dip for the eradication of thistle?—No.

156. *The Chairman.*] Have you any objection to your names being published?

Mr. Friedlander: No.

CHRISTCHURCH.—Second Sitting.

Monday, 18th March, 1895.

(1.) Alexander Cameron and Sydney Philips examined.

1. *The Chairman.*] What matter do you gentlemen wish to represent to us?

Mr. Philips: I appeared before the Commission in Wellington with reference to the tobacco industry, and I have arranged for Mr. Cameron to interview the Commission on the same subject. We wish the evidence to be treated as private.

2. *The Chairman.*] Very well. Perhaps Mr. Cameron would like to make a statement first. What are you, Mr. Cameron?—A tobacco-manufacturer. I am a partner in the firm of Cameron Brothers, of the Virginia Tobacco Company, owning factories in America and the Australian Colonies. My address is 88, Pitt Street, Sydney. I have a written statement here, which, with the permission of the Commission, I will read:—

The Tobacco Industry.

I may say it is scarcely possible to name any industry with so many favourable and attractive features to almost every class of the community as that of the local production and manufacture of tobacco. It calls for the investment of a considerable amount of capital within the country by the manufacturer; it affords healthful and remunerative employment to a large number of both skilled and unskilled artisans; it gives employment to many collateral industries, amongst which may be enumerated the mechanical engineer and the mechanist, the box-maker, printer, and all those engaged in the transport of commodities by road, rail, or water. But, above all, it stimulates the agriculturist to the profitable cultivation of the tobacco plant, for which, I believe, the climate and soil of many parts of New Zealand eminently well adapted; and it thus creates a demand for a fresh home product of the soil, which is at present entirely imported from abroad. The latter important fact is amply borne out by the experience of the Australian Colonies, demonstating that the establishment of local tobacco-factories has led to an enormous production of home-grown tobacco, which has developed into a progressive, permanent, and profitable industry for the producers from the soil. When the factories are fairly established, and are placed in a position to maintain themselves, the protection now required may gradually be reduced, as was and is now being done in Australia. I will first deal with the growth and possibilities of tobacco in New Zealand, giving comparative tables of the various results obtained in the other colonies. These figures are taken from T. A. Coglan's statistics. As an expert, I am thoroughly convinced that Wellington, Wanganui, New Plymouth, Poverty Bay, and Hawke's Bay, and possibly the Otago Central districts, can produce an excellent quality of tobacco, which, under skilled hands, would soon not only supply local demands, but be a very large source of export, and at the same time a profitable crop to the farmer. One of the first considerations is: Is this product profitable to the farmer?

To prove this, I quote from a treatise called "English Tobacco Culture," edited by E. J. Beale, F.L.S., dedicated by Royal command to Her Majesty the Queen:—

The following shows balance-sheet of the growth of Virginia seed for 1 acre:—

	£	s.	d.
Rent of land	3	0	0
Three ploughings, at 10s. per acre	1	10	0
Two harrowings, at 1s. per acre	0	2	0
Nine loads farm-yard manure	2	8	0
Spreading farm-yard manure	0	1	3
3cwt. Peruvian guano, at £12 per ton	1	16	0
5,000 plants, at 15s. per 1,000	3	15	0
Planting same	0	4	5
Two horse-hoeings, at 3s. per hoeing each time	0	6	0
Labour, drilling and side-hoeing twice over, at 7s. per acre each time	0	14	0
Pruning, topping and suckering, at 8s. per acre	0	8	0
Cutting, at 5s. per acre; carting to barn and hanging, 12s.	0	17	0
Firing, two loads waste hardwood	0	16	0
Men's time, curing and attending	1	10	0
Stripping, sorting, bulking, and packing, say, 2,900lb. at 5s. per 100lb.	7	5	0
Total cost of production	£24	12	8

	£	s.	d.
Produce of tobacco cured ready for sale to manufacturer, say, 2,900lb., at 4d. per pound	48	6	8
Total cost of production	24	12	8
Average profit upon 1 acre	£23	14	0

In this colony there would be no occasion, on the rich lands in the Wellington districts which have been fertilised for centuries by the decomposition of vegetable matter, to go to the expense of manure or Peruvian guano, thus effecting a saving on this table of £4 5s. 3d. per acre, which would give ample margin for any difference in the expense of labour, and also augment the handsome profit of £23 14s. to the acre. The book that I extract these figures from I will be pleased to lend you for perusal if desired. There can be no doubt of tobacco growing in this colony. I am informed from a reliable source that tobacco has been produced as far south as Queenstown, and Mataura mouth; but the growers, owing doubtless to their limited experience, do not yet understand the drying and curing of the leaf. This is a process that must be effected in properly-constructed and warmed drying-sheds, and to accomplish this end I shall be pleased to furnish all requisite information and assistance for the economical construction of such sheds, which could easily be erected by local labour. To show the value of the growth of tobacco, a fair example would be Queensland, which protected this industry in 1888, given in Government statistics published up to 1893. In 1889 the crop of tobacco amounted to 283,472lb. The price paid being about 2d. per pound, its value being the first year £10,580; the crop of 1893 being 512,674lb., at 9d. per pound, the money paid amounted to £19,223. In the five years, 2,353,344lb. of tobacco has been grown, to the value of £88,250, which has been a source of great profit to the farmer, as each year has brought increased crops, which are only sufficient as yet to supply the local requirements of the fourteen factories that the protection of this industry has built in that colony. In the table of cost of production of leaf, the value is put down at 4d. per pound; in every instance in the history of the Australian Colonies the selling-value of the crop for the first ten years has never been less than 6d., and has gone as high as 1s. 3d., per pound. Taking the product of 1 acre as 2,900lb., at a cost to the farmer of £24 12s. 8d., the value of this crop would be £72 10s., leaving a profit of £47 17s. 4d. per acre for the cultivation of local leaf. New Zealand being situated about the same parallel as Virginia and North Carolina, and about the same climate, will produce, under skilled cultivation and curing, tobacco that would compete with America in the European markets, and the producing of this tobacco should be done at a much less cost here, in consequence of the richness of the soil not requiring expensive fertilisers or manures as is the case in America. My firm would, in all probability, import from America a man well skilled in the growth of leaf of all grades, and construct buildings for the curing and manipulation of the leaf for manufacture, providing the Government would give us facilities for doing so. This experimental farm would be used to test the various seeds, such as Havana, Sumatra, the Virginia dark, and the North Carolina aromatic tobacco-plants, the results of which to be inspected by Government officials, and pamphlets issued giving instruction to the farmers as to the most favourable results obtained, and under what conditions. In suggesting this my object is to put the growth and curing of tobacco on the right basis to start with, and avoid the mistakes made in the Australian Colonies, as it is manifestly to the advantage of the farmer, as well as the manufacturer, to have the best qualities of leaf tobacco, first of all because it commands a higher price, secondly the manufacturer can produce a better smoke.

There is a fallacious idea that the cultivation of tobacco can only be carried on by Chinese or black labour, as in Virginia, North Carolina, and Australia. In these places small farmers, who are only able to start with from 5 to 6 acres of ground, cultivate and cure the tobacco themselves. After the extension of their farms, from profit derived from this source, when the farm requires more than the owners to cultivate they employ the only available labour, which is the American negro. The reason of this is that the white men are much more ambitious, and become proprietors instead of being employés. In Australia Chinese do the growing of leaf, as well as all the vegetables, not because white men are unable to work in this form of agriculture, but it is generally under the following conditions: The squatter allows them, say, for example, 5 acres, which he ploughs, and lets

the land to the Chinaman for one-third or one-half of the value of the crop. In hundreds of instances that have come under my personal observation land that is worth from £20 to £25 per acre has yielded an annual profit of from £12 to £18. The Australian white agriculturist only cultivates wheat and oats, and, in consequence of this state of affairs, the Chinese have a monopoly, which does not exist in New Zealand, and should not exist in Australia.

I would also emphasize the fact that this crop is generally adapted to small holdings—even as low as 10 acres—on which it would be unnecessary to employ any labour outside the settler's own family. No other crop will yield the same results.

In conclusion, there is no difficulty in the cultivation of tobacco for any one used to outdoor life, and the climate of New Zealand does not in any way make such employment unhealthy or objectionable.

The following figures are extracted from Mr. Coglan's statistics on the seven colonies of Australia:—

Year.	New South Wales.		Victoria.		Queensland.		Australasia.	
	Area.	Tobacco produced.	Area.	Tobacco produced.	Area.	Tobacco produced.	Area.	Tobacco produced.
	Acres.	Cwt.	Acres.	Cwt.	Acres.	Cwt.	Acres.	Cwt.
1861	224	2,647	220	2,552	...	...	444	5,199
1871	567	4,475	299	2,307	44	...	910	6,782
1881	1,625	18,311	1,461	12,876	68	521	3,154	31,708
1888	4,833	55,478	1,685	13,355	123	1,418	6,641	70,251
1891	886	9,314	545	2,579	790	7,704	2,221	19,597
1892	848	8,344	477	658	318	3,808	1,643	12,810
1893	854	10,858	1,057	8,952	475	4,577	2,386	24,387

New South Wales yielded five-eighths of a ton per acre in 1893, 1,400lb., at present market value of 6d. per pound equal to £35, against a cost much less than table, of £20 7s. 5d., leaving an average profit of £14 12s. 7d. Some lands give from 12cwt. to 30cwt., caused mainly by droughty districts and various soils, some being more suitable than others.

Victoria yields four-tenths of a ton per acre, 896lb., which, being bought at 8d. per pound, gives £29 17s. 4d., being an average profit of £9 9s. 11d. per acre.

Queensland yields half a ton per acre, 1,120lb., market value at present 9d. per pound, £42, giving a net profit of £22 12s. 7d. per acre.

The small average yield of Australia is caused by drought, which you are comparatively free from in New Zealand. I have known a crop that has had good rainfalls in Australia to yield 30cwt. of tobacco per acre. This colony will produce a much higher average than the other colonies on account of the rainfall. The estimate of cost by Mr. Beale is taken from a district that has ample rain, similar to the districts I have named in New Zealand, and I have not added the cost of fertilisers and manures, which would not be necessary here, and are not used in Australia.

The following extract is from the *New Zealand Times*, Wellington, 18th February, 1895:—

"*Colonial Tobacco in England.*—Mr. Valentine states that the trade considers the samples of tobacco sent by the New South Wales Government are the best colonial specimens yet submitted, and that the flavour resembles dark Virginian."

The following extracts are taken from the "The Tobacco Leaf," organ of the tobacco trade of the United States, New York, 12th December, 1894:—

"*History of Sumatra Tobacco-growing.*—The table received from our Amsterdam correspondent, showing the rise and progress of Sumatra tobacco-growing, is an interesting piece of history written in figures, reminding one of the statistics exhibiting the growth of the cotton-raising interest in this country. Looking down the columns we see how, from a little crop of fifty bales in 1864, bringing 48 Dutch cents per pound, and a total of 4,000 florins ($1,600), the yield mounted up in 1890 to 236,323 bales, which, at an exceptionally low average price, sold for 26,000,000 florins ($10,400,000). The crop of 1890, in number of bales, made the present high-water mark; but the largest total sum, 40,600,000 florins ($16,240,000), was realised the year before. The highest average price was reached as long ago as 1873, when 182 Dutch cents per pound was paid. The figures giving the number of bales produced immediately after this date show how much the tobacco-growing was stimulated by the prices then realised. Those who think that the prices paid for this year's crop are exceptionally high will see from the table that they fall considerably below those of some former years.

Year.	Bales.	Average Price.	Total.
		Cents.	Florins.
1864	50	48	4,000
1874	12,895	150	2,850,000
1884	125,496	144¼	27,550,000
1890	236,323	72½	26,000,000
1891	225,629	91½	21,400,000
1892	144,689	126	26,700,000
1893	169,521	144	37,600,000

"*Tobacco-culture in the Antipodes.*—The cultivation of tobacco is making very rapid progress in the Australian Colonies, notably in Victoria and New South Wales. In the latter the leaf has been a profitable industry for many years, and now Victoria is making a big bid to control and supply her own markets. The possibilities of those lands are almost beyond conception, and the only reason why they have not hitherto developed a more active rivalry against our own people in the markets of the world is solely owing to the cost of labour. Asiatics are now restricted to a heavy poll-tax, and, as no other form of cheap labour is possible, it may be taken for granted that America need fear no keen competition from their Australian cousins for many years to come. Of all those countries Queensland is the most naturally suited to tobacco-growing, but it is even more heavily handicapped in the matter of labour than the others. The fact, though, that Connecticut and Virginian seed is being imported into Australia is indicative that the trade which we have enjoyed with such absolute immunity may one day be seriously assailed."

The following is an account of the growth of tobacco-leaf grown by T. Reynolds, Esq., Maori Hill, Dunedin: "I used Virginia seed. Do not know what variety. Grew tobacco for four or five years. Took some to London, where it was highly thought of. The plants grew luxuriantly, some over 6ft., and the leaves as broad as a rhubarb-leaf. The ground was not freshly prepared; was planted in cleared bush soil, where the bush had been burnt off. The tobacco grew as luxuriantly as any I have seen in Portugal. A man who saw the crop, and could compare the same with Virginian crop, was amazed at its luxuriance. The plants, apparently, required—first, shelter; second, good aspect; third, not too much moisture. The product was even year after year." Mr. Reynolds only sun-dried it. The tobacco smoked very well, with a good flavour. Considers the crop could be easily raised on the Peninsula. He never grew it anywhere else, but believes it would grow on sheltered spots right down the coast. He planted it in the early seventies.

General Effects of a Tobacco-factory on the Revenue.

As a result of the introduction of the tobacco industry in Australia there are now twenty-seven factories in the Australian Colonies, involving an investment of some £900,000 capital. The crop is estimated at 2,731,344lb., and the approximate value is £70,000 per annum. From the fiscal point of view, I wish to say that some people hold that the protection of this industry would seriously interfere with the revenue derived from the duty on imported tobacco; but, in reply to that, I might say that such has not proved to be the case in the Australian Colonies, because, after allowing for the increase of population, the cheapening of the article leads to a more extensive and liberal use of it. To illustrate this, I may say that, while in 1885 the import of tobacco into New South Wales from America was 350,000lb., in 1893 it was about 975,000lb., notwithstanding that the local factories produced about 2,000,000lb. per annum. Similar results have taken place in Queensland, where tobacco-manufacturing was commenced as late as 1889. Previous to that practically no tobacco was grown in Queensland, but to-day the actual value of the tobacco-crop is estimated at £30,000 per annum. In Victoria, where they have a duty of 3s. per pound on imported tobacco, 1s. duty on American leaf, and 6d. excise, the imported tobacco has held its own; and I would suggest, to prevent any falling-off of revenue, the following tariff, which I feel would increase the present returns and allow ample protection for the pioneering of an industry employing so many workmen: A duty of 4s. per pound on American-manufactured tobacco; a duty of 2s. 6d. per pound on American leaf going into bonded factories; this duty to last for three years, then an excise of 6d. per pound to be imposed at the end of this period. In suggesting this to you, I would like to impress the fact that it would take fully twelve months after the passing of the Act to thoroughly build and equip a factory with machinery, and we would have only two years to introduce the locally-grown leaf in a smokeable form. To illustrate by figures the result of the above suggestion, the only New Zealand Government figures available are those contained in the blue-book of 1893. In this year 1,239,597lb. were consumed by a little over 700,000 inhabitants, yielding a revenue of £216,929. This additional 6d. would increase the revenue by £30,990, being an adequate amount to compensate for any loss during the second two years of actual work done by the factories under the protection suggested, which bears the same differential duty as the present Victorian tariff. At the end of three years, when the local growth of tobacco is thoroughly accomplished and understood, an excise could be imposed of 6d. per pound, which would make American-manufactured leaf in New Zealand pay a duty of 3s. per pound, which is at present the case; or if the local leaf manufactured became so formidable to the tariff, which I have no doubt it will, it would be necessary to impose heavy excise duty to compensate for any loss that might be sustained by a local article supplanting the foreign one. Of course you will thoroughly understand that there is always a strong prejudice against local manufacture, which it takes hard work as well as skilful manufacture to overcome, and at the same time an investment of capital necessary to the commencement of operations, which are always attended by considerable initiatory expenses, and a certain amount of protection is therefore required. There should also be considered the fact that annually about £100,000 goes away from New Zealand to be distributed in labour and materials in other countries. This money kept in circulation here would materially increase the revenue by the purchase and consumption of other dutiable articles by those who work in and benefit by such an industry.

The Employment of Labour.

I have been informed that the experiment of a tobacco-factory has already been tried in New Zealand, but I have reason to believe that the attempt has been inadequately made, and I am convinced, with greater experience and more ample means, and the employment of the best modern appliances, we shall be successful in New Zealand as in the other Australian Colonies, and I am under no apprehension that the considerable capital which we propose to invest will not prove unproductive. I especially wish to point out that the manufacture of pipe-tobacco, which I propose to devote my attention to, is totally dissimilar to the cigarette business. Whilst we possess the

exclusive right of the use in Australasia of one of the best cigarette-machines of modern invention, which we propose to employ in New Zealand (as in Australia) in this remunerative branch of manufacture, I am prepared to admit that this portion of our industry stands on an exceptional footing, and is susceptible of special treatment. A cigarette is not, generally speaking, a working-man's smoke; those who indulge in it can well afford to pay 6d. per packet, which has been and still is the standard retail price for imported cigarettes. The introduction of most ingenious labour-saving machines, almost entirely automatic in action, has enabled the local producer of cigarettes, under cover of the protection afforded to the manufacturer of plug tobacco, to produce colonial cigarettes in enormous quantities, which have been placed on the market to be retailed at 3d. per packet. This has led to a considerable increase in their consumption, largely, it is said, by youths and boys, to whom the premature use of tobacco is held to be deleterious. I would suggest, therefore, with all respect, that a substantial increase in the excise on cigarettes, which would bring this retail price back to 6d. per packet on the colonial product, would not appreciably affect the ordinary cigarette-smoker, but it would check the consumption in a direction which is held by many to be an objection, and it would yield back to the revenue probably more than would be taken away by the suspension of the excise on the material which can be grown in the colony. The duty on cigarettes manufactured in New Zealand at present by the American Trust is 3s. 6d. per pound. They manufacture a thousand cigarettes to 2lb. of tobacco; while the duty on imported cigarettes is 7s. per pound, and about 2½lb. is used; the duty amounts to 17s. 6d.; clear protection 10s. 6d. per thousand for this branch of the industry, which is done entirely by machinery, and has deprived a large number of girls in the colony from employment that, prior to this machinery, they were able to earn fair wages by. These machines can turn out, by the employment of one man and a boy, from eight to ten thousand cigarettes in an hour. This has deprived the country not only of revenue but of employment for a large number of hands, and has enjoyed a heavy protection.

I quote from the New South Wales "Statistical Register" for 1893 and previous years, "Manufactories and Works," the following table:—

Year.	Tobacco-factories.	Hands employed.		
		Males.	Females.	Total.
1891	11	449	163	612
1892	11	443	163	606
1893	11	452	142	594

In the factory which I had charge of in Sydney we employed about 190 hands, the pay-roll for wages generally being from £240 to £280 per week, besides the large amount of repairs which had to be locally done, which extended the employment still further. And, in addition to this, the working in tobacco-factories is a very healthy occupation, in no way affecting the labourer's health. The rate of wage is fixed by the unions, and is thoroughly satisfactory all over Australia. I am familiar with your labour-laws, and anticipate no difficulty in working under them.

The Selling-price of Tobacco.

It has at the present time become a necessity to the labourer and to every other branch of the community to use tobacco, and the introduction of a local factory will diminish the cost to the consumer. We will undertake to produce a well-manufactured tobacco, which would be acceptable to the consumer, at a more moderate cost than the imported article.

Conclusion.

I desire to say I am not seeking anything in the nature of an exclusive concession or monopoly, and I have no doubt that our enterprise in New Zealand will be followed, as in the Australian Colonies, by competition, which will bring about further investment of capital in the colony, and extended employment, besides insuring to the producer of leaf tobacco healthy emulation among purchasers, and a permanent and a reliable market for their product.

3. *The Chairman.*] That is a general statement of the matter you wish to bring before us?—Yes.

4. And the statistics you have given you support by certain publications, so that the figures may be depended upon?—Yes. (See references in statement.)

5. You propose to recoup the loss of revenue for the first three years by the extra 6d. per pound on the imported article?—Yes.

6. Do you think after that period the amount of locally-grown tobacco that would be consumed would supply the loss to the revenue?—I am sure it would. First of all there is a great prejudice against anything locally made; secondly, the locally-grown leaf would be of a different flavour to the tobacco which people now smoke, and the taste would have to be cultivated, which would be a matter of time. We had great difficulty in Queensland in getting the local tobacco used, but afterwards it became popular, and that colony has reduced the amount of protection imposed to assist the industry.

7. In other words, you propose to increase the present duty of 3s. 6d. per pound by 6d., which you think would cover any loss to the revenue, so you do not anticipate that during the first three years you will supply more than one-seventh of the consumption of the colony?—That is so.

8. And after that period you think the Legislature should impose an excise duty which would be sufficient to bring in the amount of revenue required?—That is the idea.

9. Do you propose that this excise of 6d. per pound should be a permanent excise?—That is a difficult question. I hope and believe that in New Zealand there will be such a good tobacco produced that it will be equal to the American tobacco, but, in case the 6d. additional duty on the American leaf should not recoup the Government for the loss of revenue before the termination of the three years, that branch of the subject would have to be considered.

10. You consider your scheme would, for the first three years, save the revenue from loss, and that the country would have the advantage of the introduction of a new industry?—Yes.

11. *Mr. Hutchison.*] You do not mean this duty to come into operation until you have the tobacco for sale, Mr. Cameron?—After the law is passed it would take twelve months before we could obtain the proper machinery and build the necessary premises, and at the end of that time we would be able to produce the tobacco leaf. The crop could be planted next spring and gathered in the summer. It would be necessary to pass the law first in order that we might be assured that we could incur this expenditure without any risk.

12. How long would we have to pay this extra 6d. per pound?—I would be able to tell you that at the beginning of the second year.

13. Well, then, you do not want the duty until you are ready to start the manufacture, only a direct Act of Parliament saying if you do certain things certain other things will follow?—Yes.

14. Do you intend to import your machinery from America?—Most of it would be made locally, with the exception of patent machinery. I would bring my models over, and have the castings and ironwork made here.

15. Then, you would at once create a prejudice against yourself if you begin importing machinery from America. Could you not get the machinery that you could not make here from Great Britain?—We would only have to get some machines from America, and their total value would be £300, whereas we would have to invest about £6,000 in machinery, either locally or in Australia; at the very lowest estimate we would expend from £4,000 to £5,000 in New Zealand in machinery alone.

16. You intend to pay the farmer £48 6d. 8d. an acre for the tobacco, leaving him a profit of £23 14s. on the acre?—Yes.

17. Is it a fair question for me to ask what profit you expect to make on the £48 6s. 8d.?—If I were able to answer it it would be a fair question, but the problem is a very doubtful one. The returns depend upon the care the farmer bestows on the leaf. This industry will only pay a fair mercantile profit. There would be no fancy profit in it, and competition would come in after I started my factory, and reduce the price to such a point that the margin would be only a small one. You could reckon a fair mercantile profit.

18. What is a fair mercantile profit?—I should say, about 17 per cent.

19. *Mr. Stevens.*] Are you aware whether there was a trial made of tobacco-growing in the Auckland Province, and also at Napier, some years ago?—Yes.

20. There was an expert who travelled through the northern part of the district, and also through Hawke's Bay, instructing the farmers. Did you know him?—I do not remember him, but he does not appear to have succeeded in his instruction. The tobacco plant I have seen in the Auckland District is neglected. It grows to a great height, and gets very rank through want of care. In about 1888 the New Zealand Government sent over to me at Sydney a case of sample tobacco taken from various districts. I examined this sample and found the quality most excellent. With due cultivation and care the tobacco should be vastly improved. I might add that the late Captain Fraser informed me that he grew the tobacco plant at Lake Wanaka for sheep-wash; and I have since ascertained that it has been grown so far south as Stewart Island.

21. Do you propose to supply the farmers with the tobacco-seed, or allow them to buy it in the open market?—I would rather supply them myself. I suppose £50 would supply the whole colony; and by supplying it myself I would select the best seed.

22. Would you make it a condition that persons growing tobacco must grow it from your seed, and from no other?—They would be free agents.

23. Is there not some difficulty in keeping the tobacco sufficiently long to have it packed and sent away to the factory?—None at all. When the leaves turn yellow they are ripe. Then they are picked, and put in a shed, and when thoroughly dry are packed in bales and casks, like a bale of wool.

24. I understand that if there is the slightest dampness when packed the tobacco becomes mouldy?—Yes; it has to be thoroughly dried, otherwise there is considerable fermentation.

25. Therefore the farmer could not make as certain of getting a profitable crop of tobacco as he could of grain?—Yes; it is just a question of putting a few more logs on the fire to dry it, and he could then make an absolute certainty.

26. Then, no reasonable amount of rain would damage the crop before it was gathered?—No; but if the tobacco were under flood it would perish.

27. If the leaf were picked in the field, could it be dried outside in the sun?—No; it must be dried in a shed.

28. Could it be cured in the shed each day as it was picked?—Yes.

29. Then, there would be no necessity to expose it to weeks of rain as wheat is exposed?—No.

30. Supposing one-fourth of the farmers of the colony were to take up tobacco-growing, would not they grow more than you could manufacture?—Possibly they would if two-thirds of them went in for it, but I think the development would be very slow at first. We should first have to send a man to each district to instruct the farmers, and I would make it my business, either personally or through an agent, to get some farmer specially to take an interest in this question of growing, so as to set an example to his neighbours.

31. Would the cost of the expert be charged to the farmers?—No; I would pay it.

32. *Mr. McGowan.*] Have you considered the danger the farmer is liable to who enters into this as an industry, supposing his crop is a failure? £24 12s. 8d. per acre is a large amount for a farmer to lose?—As a matter of fact, I have no doubt my firm would bring a man from America well skilled in the culture of tobacco to start a model farm. The tobacco-manufacturer is placed in the same position about raising tobacco as the man who converts wool into clothing. The latter does not grow his sheep, and does not care to do so, neither does the tobacco-manufacturer care to grow tobacco. I do not think it would be to the benefit of the farmer to try the experiment for the first year only, and then to give it up. We have no desire to allow the farmer to go on with the experiment without in the first place testing the various seeds.

33. Would the company be prepared to buy the leaf green from the farmers, and to take the responsibility of curing it?—Yes.

34. What value would you pay if you were prepared to purchase the crop in its green state?—We would be prepared to give 4d. per pound, and from 6d. to 9d. cured. The curing costs £7 5s. a ton.

35. Do you think the climate of New Zealand is well suited for the growing of tobacco?—I am certain it is.

36. And you are prepared to say that the farmers might count upon receiving for the green crop 4d. per pound?—Yes.

37. *Mr. Hutchison.*] Do you not think it would be better to take the tobacco in a green state?—The only trouble would be that you might then have to carry it forty miles, and it would be rather a large order to build curing-sheds every forty miles. My idea is to try a few acres in each district, where we would erect the drying-sheds. The cost of erection would be a mere bagatelle.

38. You do not mean to have several of these model farms?—We could have two or three, as we might select.

39. Do you mean to buy the land or to rent it?—I could do either.

40. With regard to the conditions attaching to drying, how would a man do who only had a quarter of an acre of land, and perhaps no shed?—He could cure it in his own house, and if I were in the neighbourhood I would be very willing to receive the crop myself.

41. *Mr. Mackenzie.*] The fact is you do not care how the tobacco is brought so long as it is in good condition?—Yes.

42. Or whether it comes from a man owning a quarter of an acre or from a man owning 10,000 acres?—No.

43. *Mr. Hutchison:* I beg of you not to put it that way, Mr. Mackenzie. I was speaking of the difficulty of getting the tobacco cured by small people, who have not 10,000 acres, like you.

44. *Mr. Mackenzie.*] If I had 10,000 acres I would be a philanthropist, like you. I have not yet been able to read your statement, but I notice that New South Wales tobacco-production has gone down terribly since 1888: how is that, Mr. Cameron?—In 1888 everybody put more land into tobacco, on account of the high prices ruling, and that year 55,478cwt. were produced. That was much more than was required at the time, and the local growers also demanded a much higher price for the tobacco than the English market paid for American. The demand fell, and that was the reason for the falling-off in the quantity produced.

45. I gather that there is no greater risk in growing this crop than in growing an average crop of cereals?—No; the risk is only a fair agricultural one that you have to take.

46. Are there any special risks attached to tobacco-growing that are not attached to wheat-growing?—The only risk is that, after the plant gets a fair height, a large grub attacks the leaf, but this is easily got rid of, and, with care, it can be exterminated. Caterpillars do not attack tobacco; it is only a special grub that does so.

47. *The Chairman.*] Do you wish to add anything, Mr. Philips?

Mr. Philips: I have communicated with one of the largest tobacco-dealers in the colony with reference to this proposal, asking him for his opinion, and I would like to tell the Commission what he said. The reply is as follows: "Mr. Alexander Cameron. . . . You will have met this gentleman ere this reaches you, and will, I trust, be of some assistance to him in laying his proposals before the proper authorities. If the colony does not grant his very moderate requests it will be a long while before they get another chance from such an eminently practical and wealthy firm. It is not every day that we get the chance to secure a firm willing to put such a sum as £20,000 at one go into a new industry, although the actual money expenditure is of far less importance than the fact of having the expert experience of the Cameron's to teach and instruct our farmers. Now, to grow and cure tobacco, the whole country, from New Plymouth down to Wanganui and all the districts across the Island to, say, Danevirke, and again through Pahiatua and the Wairarapa country, is eminently suited for the growth of tobacco, all being for the most part bush-lands that have been burnt off, leaving the surface thoroughly impregnated with wood ashes, the finest fertiliser in the world for the production of a first-class tobacco. Having the monthly reports from all the principal tobacco markets of the world before me, you may take my word for it that the exporting possibilities of this commodity is something enormous. If the present Government miss the opportunity that is now being offered they will (perhaps unwittingly) commit the most fatal blunder they ever made, not even excepting the Shop-hours Bill or Act. I have heard that on other occasions the Government have been applied to for concessions in respect to the manufacture of tobacco in this colony—in fact, we had some little experience of this ourselves when Sir Julius Vogel was in office—the common idea being that the revenue of the colony would be seriously affected; this is really all nonsense—that is, if the experience of other countries is worth a rap. What has the growth, export, and manufacture of tobacco done for America, from Connecticut to Mexico, and the Brazils, Cuba, and nearly all other of the West India Islands, South Africa, India, Sumatra, Java, China, Borneo, Philippine Islands, and, coming closer home, Victoria, New South Wales, and Queensland? Do any of these countries regret having made the experiment? Not they. I do not know what impels me to write all this concerning a matter that

might ultimately 'knock me out' as an importer, unless it is, being an old colonist, I have acquired the feeling of wishing to see the colony prosper. And one cannot help thinking that everything possible should be done to provide remunerative employment for our small farmers and settlers and their families. I must conclude by wishing that the Messrs. Cameron and yourself may succeed in convincing the authorities that they will be doing the colony a service by promoting the 'culture of the weed.'—Yours faithfully, H. E. PARTRIDGE."

48. *Mr. Hutchison.*] Does that refer to the North Island only, Mr. Philips? This Island is equally capable of producing tobacco, is it not?

Mr. Cameron: Yes.

Mr. Hutchison: We have not the area of bush-land in the South to burn; consequently, we have not this good ash fertiliser.

Mr. Cameron: That is not absolutely necessary. Of course, the burnt bush is a very good fertiliser, but the land is rich enough to produce tobacco without the burnt ash. If it is not, it can be brought up to the requisite quality by means of other fertilisers.

Mr. Mackenzie.] On the question of bush-land, I should not like it to get into evidence that there was not a large area of bush-land in the South. Perhaps you are not aware, Mr. Cameron, that there are over a million acres of bush-land divided between Otago and Southland?—I am aware of that; but bush land is not absolutely necessary. Any ground that will grow turnips will grow tobacco.

49. *Mr. Glasgow.*] Do you anticipate, Mr. Cameron, that the tobacco will ultimately be manufactured from New Zealand leaf only?—That has not been the experience in the Australian Colonies. In New South Wales, out of 2,000,000lb. weight, approximately, 1,400,000lb. is made of local leaf, and over 600,000lb. is made from American leaf. They find that a very fine grade of tobacco can be produced by a blend of some grades of American with colonial, and I think we have catered for the most careful connoisseurs in smoking-tobacco, as well as the people of lesser degree.

50. Of course, the larger proportion of New Zealand leaf used the greater would be the loss of revenue. You might probably be prepared to see the excise duty increased to within 6d. per pound of the rate on imported manufactured tobacco?—That would not allow any industry of the kind to exist for twenty-four hours in any of the Australian Colonies. The present existing excise is 1s. in New Zealand; in Queensland, 1s. 6d.; in Victoria, 6d.; in New South Wales, 1s. 3d.

51. Is not that on tobacco manufactured from imported leaf only?—Yes.

52. Do you think that ultimately a very large proportion will be manufactured of colonial leaf?—It takes a very long time to do that; I should say, about ten years.

(3.) G. W. RUSSELL examined.

53. *The Chairman.*] About what matter do you appear, Mr. Russell?—I represent the firm of Russell and Willis, printers, Cathedral Square, Christchurch, and attend to bring under the notice of the Commission a matter in connection with the printing of directories. I have here a copy of the "Canterbury Directory" [produced], which has just been turned out by my firm, and a copy of the "New Zealand Directory" [produced], which is imported, completely finished, from Home. I speak on behalf of the printing trade of the colony, and we feel that it is not fair to us and to our men that a work like this "New Zealand Directory" should be allowed to be imported as literature in the same way as Ruskin's criticisms or Tennyson's poems are imported. This work (the "New Zealand Directory") is purchased largely by the Government; and there are several establishments in the colony that are quite capable of turning it out.

54. Is this "New Zealand Directory" printed, bound, and published in England?—Yes; and brought into the colony as literature. I have little doubt that the cost of turning it out here would not be a great deal more than the Home cost. We can turn out this book ("Canterbury Directory") in three months. It contains 300 to 400 pages.

55. *Mr. Hutchison.*] What is the price of that work?—I believe it is sold at 12s. 6d. per copy. Both directories are published by Wise and Co.

56. *The Chairman.*] How many pages are there in each?—In the "New Zealand Directory" there are 1,500 pages, in the "Canterbury Directory" 450 pages.

57. Have you considered what amount of duty should be imposed on these imported directories?—I would not like to express an opinion, because I think it would be better that such expression of opinion should come from the trade as a whole. I simply say it is an anomaly that the compositors of New Zealand should lose £700 to £1,000 in wages that could be circulated amongst them if this work—which is compiled for and relates to New Zealand, which is paid for in New Zealand, and which is supported by the Government of New Zealand—were printed in the colony.

58. Can you suggest a definition for the Customs tariff that would distinguish a work of the kind from ordinary literature?—I will come to that by referring to another matter. There are some firms in New Zealand who, of course, have all the printing relating to their businesses done in the colony, but there are other Home firms who merely have agencies in New Zealand, and who supply these agencies with all the printed matter required from Home direct. I think this is an anomaly, and it operates against the local firms who do all their printing here. I refer to foreign firms—seedsmen and florists, like Webb and Sons, and other big firms who establish agencies in New Zealand, but who do their printing outside the colony. They print the names of their agents on their pamphlets and testimonials, and then flood the country with the same. These people have to some extent world-wide businesses, and where the local firms have 50,000 or 100,000 circulars struck off they would have millions. They invoice these goods at a very low price, consequently any duty that there may be at the present time means a very small tax, and has no effect really in preventing this printed matter coming in.

59. Your argument is that these articles should be classified as dutiable?—Yes, and that the duty should be charged on the value of the articles in New Zealand, and not on the invoiced value in the country they come from. Supposing the Buckeye Reaper Company imported 100,000 pamphlets, it is not fair that the value that is invoiced to them in New York, where perhaps they give a line for two millions, should be the value for dutiable purposes of the same article in New Zealand. A printer should be called in here and asked what is the cost of turning these 100,000 out in New Zealand, and that should be the value for duty.

60. *Mr. Mackenzie.*] I understand that in referring to the Buckeye Company, in supposing a case for fixing the colonial value as a basis for taxation, you did not necessarily imply that that company should be specially singled out?—Not at all.

61. For instance, if the printed matter in connection with the Buckeye Machine Company were assessed at its colonial value, to be logical, you would assess the value under which you pay duty on the Buckeye reaper at what it would cost to make a similar reaper in this colony: is that not so?—That is a matter for the Commission to consider and to resolve upon. I am speaking of a case from the printers' point of view, and I would not presume to offer an opinion at this stage. I may do so in another place.

62. You surely do not expect us to introduce a number of anomalies into the tariff?—Quite so.

63. Would not that be the case if on the printed material the Buckeye Company imported the value was fixed according to what the same material would cost to produce in this colony, and upon the machine itself the value of it in America were taken as the basis for the levying of duty?—My answer to that is this: I think that, as a matter of principle, the country has resolved that all agricultural implements and machinery shall be allowed in duty-free.

64. That is not what is demanded by some implement-makers just now?—That I know nothing about.

65. I see you are too astute to commit yourself. I might tell you that makers are asking for 30 per cent. duty on imported agricultural machinery. What is the "New Zealand Directory" sold at?—I think that to subscribers the price is £1 12s. 6d.; to non-subscribers, £2 2s.

66. It appears to me that you ought to be able to compete now with the imported directories, according to your own showing. The Canterbury book is sold at 12s. 6d., and the other, which is three times the size, is sold for £1 12s. 6d.?—You are under a misapprehension. The printing cost of a book has little or nothing to do with the price at which it is sold.

67. I assumed that you would be able to say if it would pay to turn out a book like that, and to sell it for £1 12s. 6d.?—The price of the book is a mere bagatelle compared with what they get for the advertisements it contains.

68. So you consider that, in order to compete with a book the cost of which you do not know you would require 20 per cent. increased duty?—I have not said so. I do not know how much it cost, and I have not said how much duty should be imposed. I have declined to express an opinion upon the question of the duty.

69. You expect the Commission, without any expert knowledge of the matter, to fix the duty?—I have raised the question because I think these works are not literature, and should not be classed as such. I do not feel justified in expressing an opinion as to what duty I think is necessary.

70. *Mr. Hutchison.*] Do you not think it would be a good thing to exclude them altogether?—I do not agree with you there, and I am sorry to hear you express such an opinion.

71. *Mr. McGowan.*] Are there many offices in the colony prepared to turn out a work of this magnitude?—I think, if tenders were invited and the contract were for a series of years, that there would be at least seven or eight firms who would tender for it. I would not tender on a one year's contract, but for a five years' contract I would; and I am quite sure a number of our local firms would turn it out in six months.

72. *Mr. Stevens.*] Do you consider this "New Zealand Directory" a very complete directory?—I think it is an excellent one.

73. Would you consider it an excellent one if I wished to ascertain the address of some one well known in a particular district, and I found that his name was not even mentioned in it?—I do not know.

74. *Mr. Stevens.*] Well, that is the case with this directory.

(4.) Edward Featherston Dombrain examined.

75. *The Chairman.*] What are you, Mr. Dombrain?—An importer, in business in Christchurch for the last fifteen years. I wish to submit reasons why a duty should not be imposed upon sheep-dip. My views are embodied in the following statement, which I will hand in. [The document handed in by Mr. Dombrain is a copy of the printed reasons handed in by Mr. Rose, at Oamaru, on the 13th March (see page 217), and contains the signatures of 105 farmers. They all protest against the imposition of a duty on sheep-dip.]

76. Is this document a similar one to the one already presented to us?—I believe it is.

77. You agree with those reasons?—I do, entirely. I think the imposition of a duty on imported dip would be a class tax, and, in view of the fact that dipping is now made compulsory, it seems to me rather arbitrary to restrict a man's choice of dip by placing a duty on it.

78. *Mr. Hutchison.*] Who took the trouble to get all these 105 signatures?—I and other agents for imported dips.

79. So that, in point of fact, it is the importers chiefly who have interested themselves in having got up this paper?—Yes, but not in the signing of it.

80. *The Chairman.*] Do you object to your name appearing?—No.

TUESDAY, 19TH MARCH, 1895.

(5.) *Re* PAYMENT OF DUTY ON TRAVELLERS' SAMPLES.

The Chairman: It has been represented to me by the representatives of Home houses living in New Zealand that samples of value, such as towels, quilts, hearth-rugs, hosiery, mercery, hats, umbrellas, gloves, mantles, corsets, &c., are charged full duty by the Customs. Thus, take an invoice, value only £100: it ranks for duty on these samples from 22½ to 27½ per cent. *ad valorem*, say, average 25 per cent. on £100, equals Customs duty £25. Same samples sent from Home in large quantities by firms anxious to do business, but having no representatives in the colonies, are invoiced to numbers of individual houses at 25 per cent. discount for samples only. These are called by the Customhouse "samples to order from," and pay duty only on the net invoice value of £75. Thus the same invoice of £100 pays the same duty of 25 per cent. on £75 only, equals £18 15s., instead of £25, a loss to the Customhouse of £6 5s., and an injustice to the men who live in the colony, and are citizens and taxpayers. Also, the houses represented here pay a heavy fee for license to trade, being registered in the Supreme Court of New Zealand; they also pay income-tax on their profits, their men in the colony, of course, paying their share of taxation; whilst large numbers of foreign or non-resident travellers come in at one end of New Zealand and go out at the other, do a profitable business, and pay nothing, duty on their samples being refunded on leaving the colony. I believe that Mr. Glasgow has made representations to the Government previously on this matter, and perhaps he will kindly explain the position now.

Mr. Glasgow: Regarding this matter of "samples to order from"—*i.e.*, samples sent out by firms in the Home-country to their customers in New Zealand, to enable the latter to send orders Home—they are of a comparatively trifling character as compared with "samples to sell from." The former consist principally of single pairs of socks and other hosiery, and are rarely articles of clothing. It was found, however, that "samples to sell from" sent to agents in the colony consisted of shipments to the value of £100 and £200 at a time, and the discount of 25 per cent. shown on the invoices for these samples could not be allowed. The importations of "samples to order from" have been insignificant in amount, but latterly they have shown a tendency to increase in value, and to cover a more varied class of articles. I therefore recommended the Commissioner some time ago to rescind the concession with regard to these samples; but at the time he could not see his way to alter the practice. In my opinion, both classes of samples should be treated alike, and no concession made. The concession with respect to "samples to order from" is only recognised in the case of hosiery and articles of that nature, and not in the case of apparel, boots, shoes, and fancy goods. As the discounts in question in both cases are special sample discounts, and not ordinary trade discounts affecting the value of the goods in the country of export, there is no legal ground on which they can be claimed by importers under the present law.

(6.) DEPUTATION from the CANTERBURY AGRICULTURAL AND PASTORAL ASSOCIATION (E. G. STAVELEY, President; MICHAEL MURPHY, Secretary).

The Chairman: The Commission is very anxious to ascertain the views and wishes of the representatives of the farming interest, and we shall be very glad to hear anything you have to say before putting any questions to you.

Mr. Staveley: We represent the Canterbury Agricultural and Pastoral Association, and we wait upon the Commission in regard to a movement that we understand is on foot for the imposition of a duty on imported sheep-dips. Our association is unanimously of opinion that a duty should not be placed on imported dips, on the ground that to do so would raise the price of this article to the consumers, the owners, and breeders of sheep. I wish to put in a petition that has been sent to our association, and signed by all the importing agents of sheep-dips, urging reasons why a duty should not be imposed:—

"GENTLEMEN,— "Christchurch, 9th March, 1895.

"We, the undersigned agents for various imported sheep-dips, beg to draw the asssociation's attention to the fact that an effort is now being made by the half-dozen or so makers of sheep-dip in this colony to induce the Tariff Commission now taking evidence throughout the colony to report in favour of placing a heavy import duty on all imported sheep-dips, which, if successful and given effect to by Parliament, would benefit solely the said few makers, to the detriment and the expense of the sheep-farmers.

"Believing this to be a matter well within the province of the association to express an opinion upon, we append a list of 'reasons why sheep-dip should continue to be admitted free,' and ask that, if, after due consideration, the committee approves, some member or members of your committee may officially attend before the Tariff Commission, now shortly returning to Christchurch, and express the association's disapproval of any duty being imposed.

"As the Tariff Commission will very probably have finished their sitting in Christchurch before another ordinary committee meeting would be held in the usual course, may we ask that this matter receive your attention at the annual meeting, if possible.

"We are, &c.,

"The President and Committee of the Canterbury [Signatures.]
"Agricultural and Pastoral Association, Christchurch."

81. *The Chairman.*] The same petition was presented to us at other places?—I think so.

[For copy of "reasons" referred to in letter from agents of 9th March, 1895, *vide* evidence of Mr. Rose, Oamaru, page 217.]

Mr. Staveley: We would only add that our association is fully alive to the value of encouraging local manufactures and industries of every kind; and, with reference to this particular industry, if the local dip-manufacturers require assistance, we think that the more equitable way to aid them

would be by freeing from duty, if duty exists, any chemicals used in the making of dip, rather than by imposing a duty on the imported article.

82. *Mr. Stevens.*] Have you found the colonial dips to be inferior to the imported dips, as a rule?—I could not express an opinion on that matter, as it is one of individual choice.

83. You are not agents for colonial dips?—No.

84. Has your association made any public trial recently of the various dips?—No; we had one six years back.

85. I suppose that was a public trial of all who chose to enter: did many colonial makers compete?—Merton and White entered; Brookes, of Ashburton; and I am not quite certain whether Hatch did.

86. Is there any reason why colonial dip should not be as effectual and as safe as imported dip?

Mr. Murphy: I cannot see any reason why they should not be. It is a matter of proper or improper use.

Mr. Staveley: The only reason would be that the Home manufacturers have the longer experience.

Mr. Mackenzie.] I think it is plain that an increased duty on dip means an increased price to the consumer, and that, even if the duty were imposed, the farmers would continue to use the dips they found the most suitable.

Mr. Staveley: I think so. It is a matter of individual choice in sheep-farming.

87. *Mr. Mackenzie.*] The primary object is the extermination of pests?—Certainly.

88. And anything that would increase the price of poisons would be almost tantamount to increasing the price of materials for the extermination of pests—say, rabbits?—I should say so.

89. It is the present policy of the Government to give every facility for the extermination of pests, by cheapening the price of the materials used in their suppression?—Yes.

90. Do you indorse the opinions expressed in this petition?—I cannot say that the committee of our association do. They did not authorise us to indorse the reasons stated in the petition, but merely went on the general ground of increasing the cost of the dip.

91. *Mr. Tanner.*] Have you any knowledge of the total amount of sheep-dip used in the colony yearly?—No; but the amount of imported dip used is much greater than the amount of colonial dip.

92. Have you raised your protest against the imposition of a duty on sheep-dip mainly on the one ground that it might lead to an increase in the cost?—Yes; it was looked upon as a result certain to follow.

93. Is it a well-founded opinion that the local manufacturers would form a combination to increase the price of dip if a duty were imposed?—I think so.

94. Do you know whether farmers make any chemical analysis of the various sheep-dips they use?—I should say not.

95. Can you say how long sheep-dip has been in use for dipping sheep?

Mr. Murphy: In Tasmania tobacco-wash was used forty years ago.

96. *Mr. Tanner.*] Have you known of the imported dip being uncertain or irregular in its action?—It is just a question of care in using—of use or abuse. If any accidents have occurred it is more from a want of thought in not attending to the instructions.

97. We get the same allegations from the makers of the colonial article?

Mr. Staveley: Unsatisfactory results have occurred from both the imported and colonial dips.

98. *Mr. Tanner.*] Have you any knowledge of an affair which is alleged to have occurred in South Canterbury some years ago, when, out of several thousand sheep which were treated with a certain dip, a large proportion died?—I have no knowledge of that case.

99. *The Chairman.*] It has been suggested that a duty of 10 per cent. should be placed on imported dips; and it is represented that the imposition of this duty might raise the cost of the imported dip by 5s., but that the probability is that it would not raise the price at all, for the reason that the importers obtain a very large commission on the sale of the imported dip. Is it a fact that the commissions in some instances range as high as 25 to 33 per cent.?—They range as high as 25 per cent.

100. I suppose the use of any imported dip is pretty much a matter of habit with flockowners—that is to say, that if they use a certain dip for a number of years they are likely to stick to it?—Yes.

101. And your association does not desire to restrict the choice of owners of sheep as to the dip they should use, or to make one dip any dearer than another?—Quite so.

102. You simply express the general opinion of the association that the price of dip ought not to be increased?—Yes.

103. Are there any other matters that you wish to bring before us?—No.

104. Will you permit the Commission to put a few questions to you with regard to other matters affecting the farming interest?—Yes; but we cannot in any way bind the Canterbury Agricultural and Pastoral Association in our answers.

105. Supposing a proposal were made to place a duty on agricultural machinery, on the assumption that it would provide a large amount of employment, and that, by giving the control of the business to the local manufacturers, through their increased output, they would be able to supply an article as cheap as it can be imported for now, would you say that this contention was a reasonable one, or would you hold that the result would be to increase the cost of the article to the farmers?—I think the answer depends upon the class of implements to which you refer. There are some classes of implements manufactured here now upon which there is no duty, and in regard to which the local makers are able to successfully compete with the imported article without the assistance of a duty.

106. Then, you think that there are certain classes of machinery used by farmers that cannot at present be produced here equal to the imported article?—I should think so.

107. Can you specify any?—I should be inclined to mention reapers-and-binders.

108. Have reapers-and-binders been manufactured by any of the agricultural-implement makers in Canterbury?

Mr. Murphy: Reid and Gray have works here.

109. *The Chairman.*] Were any of their machines—*i.e.*, reapers-and-binders—tried here?—Yes.

110. They do not appear to have been a success?—They have not come into general use.

111. As regards ploughs, scarcely any are imported, I think?

Mr. Staveley: Hardly any.

112. *The Chairman.*] It has been represented to us that however good a plough may be there is one particular portion—viz., the share—which has to be constantly renewed. It is also represented that these shares cannot be made properly in the colony, or as good as the imported shares, and it is suggested that the imported shares should be admitted duty-free. Have you had any experience with regard to this matter?

Mr. Murphy: I should fancy that the Home shares are made from a better quality of metal probably.

113. *The Chairman.*] Do you agree with the opinion that the imported share is almost a necessity in the colony, and that we cannot get as good a share made here as can be imported?

Mr. Staveley: I do not feel competent to answer that question.

114. *The Chairman.*] What is your view regarding an import duty upon grain and flour? In view of the fact that our grain and flour exported to the Australian Colonies is subjected to a heavy duty, do you think that their grain and flour should be admitted free, or that while the present state of things exists import duties should be imposed?—I should say that import duty should be imposed so long as the present state of things exists.

115. It has also been asked that salt for agricultural purposes should be admitted free: do you agree with that view?—Yes.

116. It is asked that sheep-shears should be admitted free, as artisans' tools?—I think they should.

117. What is your view regarding the present duty on binder-twine? Would the removal of the duty affect the farmers much?—That question appears to me to be a parallel case with the sheep-dip.

118. *McGowan.*] That a duty on the imported article increases the cost of the article to the consumer?—Yes.

119. *The Chairman.*] Therefore you would object to the duty?—Yes.

120. A duty has been asked for on wire netting, on the ground that it can be produced here equally as good, and as cheaply, as the imported article. On the other hand, objection is made to the duty, on the ground that it would necessarily increase the price of netting to the consumers. What are your views on that?—I would give the same reply as to the other questions.

121. Generally, you think that the only effect of a duty is to increase the price of the article, and that local competition is not a sufficient check against such increase?—In most instances, yes.

122. *Mr. Stevens.*] I suppose you are aware that Victoria imposes heavy duties on imported agricultural machinery?—Yes.

123. What is the difference between imposing a duty on agricultural machinery and placing it on grain?—None, when they both come from Victoria.

124. Therefore you think that, in regard to machinery and grain imported from Victoria to New Zealand, it would not be unreasonable if a duty were imposed, so long as Victoria imposes a similar duty?—No.

125. If that applies to Victoria, would it not also apply to other countries situated in a similar position?—I believe it would, but I would draw a distinction between a group of colonies and outside countries; but that is opening up another question.

126. *Mr. Mackenzie.*] It is claimed that 30 per cent. duty ought to be placed on all agricultural machinery, including ploughs and reapers-and-binders: what would be the general effect of such a duty?—In my opinion, it would raise the price to the farmer.

127. Do you think that just now, when the farmers are getting such low prices, they can afford to pay an increased price for the articles they use?—I am sure they cannot.

128. Then, it would be against the best interests of New Zealand to impose a duty of 30 per cent. on this machinery?—Yes.

129. What increase do you think that a duty of 30 per cent. would mean to the cost of a reaper-and-binder?—It would certainly increase the cost by the amount of the duty.

130. What is the price of a reaper-and-binder now?—£45 to £60.

131. And the increase would be?—About £15.

132. With regard to sulphuric acid, which, as you know, largely forms the basis of manures, it is demanded that a duty of £5 per ton should be imposed: what would be the natural effect of that?

Mr. Murphy: I think it would be a very dangerous thing to do; it would tend to raise the price.

133. *Mr. Mackenzie.*] Do you think it is possible to make, in the colony, the delicate machinery that we now use for the dairy industry?—I should say not; we have not here the necessary skilled labour or appliances.

134. I suppose you have had considerable experience in dairying?—I have made a study of it to some extent.

135. Can you tell us if our export of wheat is likely to fall off?

Mr. Staveley: From Canterbury, yes.

Mr. Murphy: I think that wheat will be still an article of export.

136. *Mr. Mackenzie.*] What would be the effect of a duty on coal on the farming industry?—The manufacturers should be the best persons to answer that question.

136A. Supposing we took it from the farmers' point of view?—I should say that anything that increases the cost of production must increase the cost of the article produced.

137. Do you know what you pay for Westport coal now?—£1 16s. per ton.

138. *Mr. Tanner.*] Can you mention any case that has occurred in the colony in which any local manufacturer has taken advantage of a duty being imposed upon any imported article to increase the price of his manufacture by the amount of the duty?—I could not.

139. You cannot give us a case?—No; but I am not prepared to say that it is not correct all the same.

140. *The Chairman.*] Have you any objection to your names, or the nature of your evidence, being published?—No.

(7.) Deputation representing the Cement Industry (H. B. Kirk and A. L. Smith).

141. *The Chairman.*] What matter do you appear to represent, Mr. Smith?

Mr. Smith: I represent the Milburn Lime and Cement Company in Christchurch. Mr. Kirk is the president of the Industrial Association, but he appears on behalf of the firm of J. Wilson and Co., cement-manufacturers, Auckland. I wish to read to the Commission, and to put into evidence, the following reasons in favour of an additional duty on Portland cement imported into the colony: "(1.) Portland cement of the best quality can now be made in the colony entirely from local products. Independent tests made by the Christchurch Industrial Association of the imported and the two locally-made cements resulted as follows: Breaking-strain to the square inch after seven days—Imported, 440lb.; Auckland-made, 432lb.; Dunedin-made, 408lb.: after twenty-eight days—Imported, 561lb.; Auckland, 574lb.; Dunedin, 572lb. This shows that the local cements, though not setting quite so quickly as the imported, increase their strength more than the latter, in time, a much more important feature than quick setting. Further tests made with the Dunedin cement gave an average breaking-strain at seven days of over 450lb., this being the result of seventy consecutive tests. The Government requirement for this is 300lb. For fineness the Dunedin cement is unequalled, the residue, after passing through a mesh of 2,500 to the square inch, being less than 4 per cent. In short, both Auckland and Dunedin cements are good, sound, and reliable in quality; and, further, each firm guarantees its product free from adulteration, which of late years has been generally followed in England and in Germany to reduce the cost. (2.) The locally-made cements are placed on an unfair footing with the imported, as the latter is brought in as ships' ballast, paying no freight. Moreover, the colonial maker pays a wage of from 6s. to 10s. per day, as against 2s. 6d. to 3s. by the English and foreign makers; and the latter also get their fuel at a proportionately lower rate. (3.) An additional duty of 2s. per cask would greatly increase the demand for colonial cement, and would thus be the means of employing a much larger number of hands. At present the number of hands employed by the two colonial makers, including the lime-making, is about 120; and this number would be at least trebled if the local article were used solely. An increased output would lessen the cost of production, and competition would insure the user getting the benefit of such decrease. The competition of the colonial cements with the imported has reduced the price from 18s. per cask to 14s. in the last few years in Christchurch, and the reduction has been greater in other towns. (4.) In 1893 over 10,000 tons of cement were imported, at a cost of over £30,000; and every penny of this might have been kept in the colony, and the bulk of it distributed as wages, labour forming the principal item in the manufacture of cement."

142. *The Chairman.*] You claim that the breaking-strain of the locally-made cement is greater than the breaking-strain of the imported article?—Yes.

143. By how much?—There is a considerable difference, but I have not the results of the tests with me.

144. What is the price of the imported cement?—14s. per cask retail in Christchurch. We have brought the imported price down to our price, and they sell the cement for whatever they can get.

145. What would be the freight on imported cement?—It is brought out as ballast.

146. If it were not brought out as ballast, what freight would be paid?—About £1 10s. per ton; six casks to the ton.

147. Then, supposing it was brought out as deadweight, a duty of 4s. per cask would not quite equal the freight?—No.

148. The outside manufacturers would still get an advantage of 1s. per cask?—Yes. There is also this aspect of the matter to be remembered: if the vessels did not bring the cement out as ballast they would probably have to buy ballast, so they can afford to lose money on the cement in one way, and yet not in the other.

149. Would not the effect of this increased duty be to increase the price of your cement, or the price of the imported cement, by 2s. per cask?—No; the competition of the two local firms would be a guarantee as to that.

150. Could not the two firms agree to keep up the price to a certain amount?—They might; but we want to increase our output, and certainly should not raise the price. My company are prepared to guarantee that they would not put up the price.

151. And to enter into a bond?—Yes, we would do so.

152. *Mr. Mackenzie.*] What is the value of the labour in a cask of cement?—I am not prepared to answer that question. I suppose it would mean all labour, as the raw material is worth nothing. Perhaps you might put down the value of the labour at 10s. per cask.

153. What is the Home invoiced price of cement?—4s. 6d. to 5s. per cask; the freight is 5s., duty 2s., and it is sold here at 14s. retail.

154. What brings it up to the high price here?—I suppose the importers make a profit on it, and you have to reckon the duty and charges. You could buy cement recently for 10s. per cask.

155. Therefore, according to your own showing, the increased duty is going to increase the price of cement to the purchaser here?—No. If you put an additional duty on it would lessen the profit to the importer.

156. But your complaint is that the cement is now brought out as ballast, and consequently an increased duty is required to protect you. Therefore, am I not correct in assuming that it is brought out for 1s. or 1s. 6d. a cask?—The ships make what they can out of it, and bring it out simply as a speculation.

157. Therefore, to pay the workmen here 10s. for labour per cask, do you want a duty of 4s. per cask on the imported article?—Yes. We assume that, as we take a fair proportion of the trade at the present rate, we could take the bulk of it if there were an additional duty.

158. According to your own showing, you have been successful in bringing the price down from 18s. to 14s. per cask, and in commanding a fair share of the trade. That being the case, why do you want additional protection?—The importers still do three-fourths of the trade, and we only do one-quarter.

159. It is a fact that your article is a better one than the imported?—I believe it is.

160. *Mr. Hutchison.*] Is there something in the nature of a prejudice against the colonial cement?—There is, but it is being removed.

161. You spoke of your company giving a bond: do you not think that is a mere form of words, and that it would be impossible for the Government to enforce such a bond if it did not suit you to carry it out?—It might be so; I would not like to draw up a bond that would be binding.

162. Therefore I do not think it does your case any good to say that you would give a bond. It is mere verbiage. I understand that you do not use casks in putting up your cement?—The casks are only used for exporting cement. They are not used in England, and if we had to supply casks we could not compete at all.

163. I think I might venture to say that you will not get the trade unless you introduce the casks, and you are no doubt aware that your company did not even tender for the Napier breakwater, although asked to do so?—I am not aware of that.

164. That is so; and I dare say the matter of the casks was the difficulty?—I presume that was the difficulty. We cannot obtain casks here at the price that would give us the slightest chance of competing successfully with the imported cement.

165. But if this extra duty were put on, would your company supply the casks?—I scarcely think so.

166. I understood Mr. Oakden to say so?—I am not aware of it.

167. *Mr. Tanner.*] Can you tell us the price of cement in 1886 or 1887, before the manufacture was fully established?—I could not say.

Mr. Kirk: I think it was from 19s. to £1 per cask.

168. *Mr. Tanner.*] Was cement then procured entirely through the importers?—Yes.

169. None was then produced locally?—I do not think so. It was about the time you mention that we, in Christchurch, tried to manufacture cement, but failed. Immediately afterwards, however, Auckland commenced to make cement successfully. I refer to the firm I am here to represent.

170. *The Chairman.*] Do you wish to add anything to Mr. Smith's evidence, Mr. Kirk?—I appear for Mr. Horsley, the representative here of Wilson and Co., cement-manufacturers, Auckland, who is unable to be present. Although not connected with either of the firms in Auckland or Dunedin, I am directly interested in the cement trade, it being part of my business. In conversation with Messrs. Horsley and Smith, I understood that, with an increased duty of 2s. per cask on imported cement, the Auckland firm would at least double their present output. They have about sixty or seventy hands employed in making cement and hydraulic lime. With reference to cement being packed in bags instead of in casks, I think one gentleman was slightly in error in assuming that this would be detrimental to the cement. I think that the chief reason why English and German cement is casked is for the purposes of transit. I do not think that the colonial cement suffers from being bagged, because it is very soon put into use after being manufactured. People have a great prejudice against almost everything of colonial manufacture, and if a cask of cement comes here, so long as it is imported cement, they consider that it must be good. Architects and engineers have been prejudiced of late years against the colonial cement, but the local bodies are now commencing to use it. I think that to increase the duty by 2s. per cask would not make any material difference to the consumers in the price, but it would be of great advantage to the colonial manufacturers.

171. *Mr. Stevens.*] What would be the cost of casks in the colony, supposing they were used instead of bags?—I could not give an expert opinion. I do not think it would be a success here if we attempted the industry of making casks.

172. *The Chairman.*] Is there any other matter?

Mr. Kirk: I wish to say a word on the question of ordinary building-bricks. The merchants here are talking of importing large quantities of bricks if a prohibitive duty is placed on imported cement, and the result would be that the local brickmakers would have to close their works. At present there are three firms making bricks in Christchurch—Brightley, Wigram Brothers, and myself. We employ seventeen hands each, and have work for our kilns for only six months in the year. The outlay on the various works, at a very low estimate, has been about £4,000 each. The capacity of all the kilns is three million bricks per annum, but during the last few years they have turned out annually only eight hundred thousand.

173. *The Chairman.*] What amount of duty would be sufficient to prohibit the importation of bricks?—I do not think that anything less than £1 10s. per thousand would stop it. There is a duty now of £2 per thousand on firebricks.

174. What is the value of bricks per thousand?—£2, the local price.

175. What is the price of bricks at the ship's side at Home?—About £1 5s. to £1 10s. per thousand.

176. What would a thousand bricks weigh?—About 3 tons.

177. Would not a duty of £1 per thousand be sufficient?—Yes.

178. *Mr. McGowan.*] Have you ever attempted to make the perforated bricks here?—No; our architects have never asked us to make them.

179. Do you know that they are manufactured largely in the Old Country?—Yes; I have the plant for making the perforated bricks, but our architects are against them.

180. You do not know why?—No.

181. *The Chairman.*] Have you any objection to your names being published?—No.

(8.) Deputation representing the Boot-manufacturers and Importers (William Arthur Leach, representing Gavin, Gibson, and Co.; J. Harris, representing W. Harris; A. E. Nicholls, representing Chisnall, Stewart, and Nicholls).

182. *The Chairman.*] Are you gentlemen importers or manufacturers?

Mr. Harris: Both, but we do not manufacture so largely as we import.

Mr. Leach: My firm are importers and leather-merchants. We do not ourselves manufacture, but other firms manufacture for us.

Mr. Nicholls: We are retailers simply.

183. *The Chairman.*] Will you kindly state the matters you wish to represent?

Mr. Harris: We desire to enter a protest against the proposed tariff of the manufacturers of boots and shoes which we understand has been placed before you. We thought the better way of showing the Commission how the proposed tariff would work would be to produce a few samples, and show you the cost under the present tariff, and what the increase would be under the tariff proposed by the manufacturers. [Samples of boots put in.] The following statement shows the cost of boots with the present tariff added, and also the cost under the proposed tariff of the shoe-manufacturers:—

Statement showing the Cost of Boots with the Present Tariff added, also with the Proposed Tariff of the Shoe-manufacturers.

Invoice Cost.	With Present Duty added.	—	With Proposed Duty on Women's, 15 per Cent. *ad valorem* and 1s. 6d. a Pair.	With Proposed Duty on Men's, 15 per Cent. *ad valorem* and 2s. 6d. a Pair.	Increase of Duties.
s. d.	s. d.		s. d.	s. d.	s. d. and s. d.
2 0	2 5½	There must be added to the duty in both instances at least 10 per cent. (cost of landing charges), which acts as a further margin to the manufacturers.	3 10	4 10	1 4½ and 2 4½
2 6	3 0¾		4 5	5 5	1 4¼ " 2 4¼
3 0	3 8		5 0	6 0	1 4 " 2 4
3 6	4 3½		5 7	6 7	1 3½ " 2 3½
4 0	4 10¾		6 2	7 2	1 3¼ " 2 3¼
5 0	6 1½		7 4	8 4	1 2½ " 2 2½
6 0	7 4¼		8 6	9 6	1 1¾ " 2 1¾
7 0	8 7		9 8	10 8	1 1 " 2 1
8 0	9 9½		10 10	11 10	1 0½ " 1 0½
9 0	11 0¼		12 0	13 0	0 11¾ " 1 11¾
10 0	12 3		13 2	14 2	0 11 " 1 11
11 0	13 5¾		14 4	15 4	0 10¼ " 1 10¼
12 0	14 8½		15 6	16 6	0 9½ " 1 9½
13 0	15 11		16 8	17 8	0 9 " 1 9
14 0	17 1¾		17 10	18 10	0 8¼ " 1 8¼
15 0	18 4½		19 0	20 0	0 7½ " 1 7½
16 0	19 7¼		20 2	21 2	0 6¾ " 1 6¾
17 0	20 10		21 4	22 4	0 6 " 1 6
18 0	22 0½		22 6	23 6	0 5½ " 1 5½
19 0	23 3¼		23 8	24 8	0 4¾ " 1 4¾
20 0	24 6		24 10	25 10	0 4 " 1 4.

Mr. Harris: This shoe [ladies' shoe for evening wear produced] is invoiced at 2s.; and under the proposed tariff of the manufacturers the increase in duty alone would be 300 per cent. This class of shoe is not made here, and the extra duty falls upon the working-classes, because it is a shoe they principally use.

184. *The Chairman.*] Could it not be made in the colony?—No attempt has been made to do so, and our firm has never had a sample of such a shoe shown us.

Mr. Tanner: I made them in a factory in this town twelve years ago.

Mr. Harris: Not that class of shoe.

Mr. Tanner: A rather better class.

Mr. Harris: I am speaking of the lower-class shoes. When it comes to the better-class shoe the manufacturers say they do not want increased protection; but I am going to show where the sliding-scale affects the better-class articles. With regard to this sample [Plimsoll or tennis shoe, with rubber soles, produced], I do not think that Mr. Tanner will say that this class of shoe has ever been made here. It is invoiced at 2s. per pair, and the effect will be as I have stated. The next

sample we come to is one invoiced at 5s. [glacé kid shoe produced]. Under the proposed tariff the duty would be 2s. 4d., charges 6d., equivalent to 7s. 10d. per pair, or an increase on the present tariff of 20 per cent. On this morocco slipper [produced], invoiced at 3s. 9d., the landed cost is 5s.; under the proposed new tariff it would be 6s. 3d., or an increase in duty of 150 per cent. The present duty is 10½d.; proposed duty, 2s. 1½d.; other charges are equal—viz., 4½d. in each case. We are now able to make these goods at less than we can import them for under the present tariff; consequently further protection is not needed. This statement [handed in] will show that there is not one line that does not come in at an increased rate under the proposed sliding-scale, although the manufacturers say that they do not want any extra tariff on ladies' goods over 5s. invoice, and men's invoice, 7s. 6d. It is the sliding-scale that we so strongly object to. Under the present tariff, sizes 0's to 3's come in free [sample of babies' slippers put in]. On size 3 we escape duty, but on size 5 under the proposed tariff there would be a duty of 22½ per cent. We think that 0's to 5's, sew round, should come in free.

185. *The Chairman.*] Does any other gentleman wish to add anything?

Mr. Leach: We consider that any large increase in the tariff would be very injurious to our business. Many importers have not placed their orders for next season on account of the fear of an alteration in the tariff. Others have, and if this proposed increase goes on it will simply mean that many of us will lose money, as we have ordered boots on the calculation of the existing duty. The retailers generally do not want any increase, and we only import English lines that we cannot get here. Lately we have gone in for colonial manufactures as much as possible, but a number of lines cannot be produced here; for instance, this German felt slipper [produced], which costs us about 7½d. at Home. I produce samples of some lines we are turning out in the colony at 2s. 6d., 4s. 6d., and 5s. 6d., to compete with the English lines. Speaking generally, there is a great distinction between English and colonial boots. We never import watertights and bluchers. The lines imported are those that cannot be made here, such as infants' shoes.

186. *The Chairman.*] Would you mind explaining why certain classes of shoes cannot be made here?—They require special plant, and specially-skilled labour. If a factory were established here for the manufacture of rubber shoes the demand would not be sufficient to keep it going. A factory could turn out in a month what would supply us for two years.

187. Is not the kind of boots and shoes that could not be made here for the reasons you have mentioned a very small proportion of the boots and shoes actually used?—I think, of the imported boots, 70 per cent. could not be made here under existing circumstances. Some of the better quality of goods are made at Home, of course.

188. Could not this evening shoe [produced] be made here?—Yes, if the material, skill, and plant were imported.

Mr. Nicholls: Leather is far more expensive in England than here. Sole-leather here is 1s. 4d. per pound; at Home it is 2s. to 2s. 8d.

189. *The Chairman.*] Then, article for article, the colonial leather should be the better leather?

Mr. Harris: If the local makers liked to give the leather sufficient time in tanning it, there is no reason why the colonial leather should not be as good as the English. I refer to sole-leather. I might say that for the last five months we have not imported a single pair of men's boots. Auckland supplies large quantities of sole-leather; but we have to pay a trifle more for it.

Mr. Nicholls: I do not think I can enlarge upon what Mr. Harris has said. We are not averse to taking the locally-made goods when the makers can give us all the sizes. For instance, in England you can get "four to six fittings" in any one size. This cannot be done here; you can only get the narrow and broad sizes, not the medium sizes. In fancy goods the local manufacturers are also a long way behind the English, and, if this line were properly attended to, there would be more colonial boots worn than there are now. As retailers, we do not want to send Home for our goods when they can be produced here. It is to our interest to purchase them locally.

190. *The Chairman.*] You complain that the local bootmakers do not make a sufficient range in point of fittings?

Mr. Nicholls: Yes.

191. *Mr. Hutchison.*] I gather that the evidence is to this effect: that we do not make these boots you mention sufficiently stylish-looking: is that so?

Mr. Nicholls: That has a great deal to do with it. It is not a matter of price, because if a lady wants a shoe, and one is shown to her which is not stylish enough, she does not mind giving 6d. more for something that suits her taste, if we have it; but we have to send Home for that class of goods, as we cannot get them here.

192. *Mr. Mackenzie.*] On this "man's" slipper [produced] the proposed increase of duty amounts to 600 per cent. of the cost: is that not so?

Mr. Harris: Yes, under the sliding-scale.

192A. *Mr. Mackenzie.*] And a gentleman's boot imported and invoiced at £1 is reckoned a tip-top boot, is it not?—It is an outside line.

193. Well, under this sliding-scale it is only increased by 1s. 4d. in price, equal to 8 per cent.?

Mr. Harris: It is on the cheaper class of goods, and on the working-classes, that this sliding-scale falls.

194. *Mr. Mackenzie.*] This increase of duty from 4s. 6d. to 5s. 10d. on men's twenty-shilling boots is about 8 per cent. more than the present duty; but if we take a slipper costing 2s. the increase in duty is 600 per cent. Is that not correct, Mr. Harris?—That is right.

195. As far as I can see, the tendency of this sliding-scale is to increase the duty on boots used by the tip-top people in New Zealand by about 8 per cent., whereas the duty on boots used by poorer people is enormously increased?—That is so.

196. Even if these duties go on, boots will still continue to come into this colony?—Yes.

197. And they must necessarily result in increasing the cost. Take a man's slipper now costing 2s. at Home, the proposed duty brings the cost up to 4s. 10d., or an increase of 600 per cent.?—Yes.

198. And internal competition will not regulate that?—No.

Mr. Nicholls: The manufacturers admit that they can already compete with the high-class goods, and therefore the importers would not be in favour of taxing them.

Mr. Mackenzie: I may say that I am not in favour of increasing taxation at all.

Mr. Harris: In the case of boots invoiced over 15s. the present tariff has shut out the bulk of the imported article.

199. *Mr. Mackenzie.*] You say that in regard to the high-class quality of men's boots you are now successfully competing, and that none would be imported.

Mr. Harris: In our line of business it is so.

200. *Mr. Mackenzie.*] Are you not speaking for the whole trade?—I am referring to our own case. In welted goods we can compete against the present tariff, but in hand-made goods we cannot, because the men are not here to make the quantities.

201. Therefore the class of boots invoiced at £1 would still continue to be imported from Home even under the revised tariff?—Yes.

202. And the increase in duty on that class is only 8 per cent., as against 48 per cent. on women's boots at 5s., and 600 per cent. on goods valued at 2s.?—Yes.

203. *Mr. Stevens.*] You have referred several times, Mr. Harris, to the proposed duty, which might lead people to think that it was a duty proposed by the Commission. Of course, you do not mean that?—I will say the duty proposed by the shoe-manufacturers. Of course: nothing is proposed by us.

204. *The Chairman.*] Have you any objection to your names being published?—No.

(9.) John Lee Scott examined.

205. *The Chairman.*] You are a member of the firm of Scott Brothers, engineers and ironfounders, Christchurch?—Yes.

206. How many hands do you employ?—About ninety.

207. Your firm undertakes to manufacture all classes of machinery, including locomotives?—Yes. We have been informed that you have been interviewed by some Wellington engineers with reference to some remissions in the tariff, and it is mainly in support of those remissions that I appear here to-day. I have a list here which I wish to hand in. We do not ask that engine governors should be free:—

"*Material which should be exempt from Duty.*

"Engineers' bolts and nuts up to 1¼in. diameter, and not exceeding 6in. long from neck to point; nuts, iron, blank, all sizes; nuts, iron, tapped, all sizes; set screws, all sizes; studs, engineers', all sizes; split pins, engineers', all sizes; plumbago crucibles; boiler-tubes, flanged or unflanged, all sizes; boiler stay-tubes, screwed, and all sorts of boiler mountings, such as welded and flanged stand-pipes, manhole doors and rings; boiler-furnaces, corrugated, welded, flanged, or unflanged; boiler-furnaces, plain, welded, flanged, or unflanged; boiler-furnaces, rings, with Adamson's expansion joint; boiler-furnaces, flue-rings, all sorts; steam and hydraulic pressure and vacuum gauges; engine-fans and blowers; engineers' tools to mean all machine tools and appliances used by engineers, boilermakers, and ironfounders; engines, all sizes, should be dutiable."

I would not include in boiler-furnaces such as are patented—Adamson's and Fox's. We were under the impression that the exemption included Adamson's flue or furnace, and we made a loss of £50 on a boiler through this error. I would also suggest that engines above a certain size should not be exempt from duty as at present. There is no reason why large engines should be exempt from duty any more than the smaller ones. I am not arguing in favour of Protection; I only say that, if a duty is imposed on the smaller engine, it should also be imposed on the larger one, because the latter can be made in the colony equally as well as the former. I asked the Kaiapoi Woollen Company to give me a testimonial for the engine we made for them a few years ago, and I desire to hand it in:—

"Kaiapoi Woollen Manufacturing Company, Christchurch, 26th February, 1895.

"We have pleasure in stating that the 60 h.p. (nominal) engine, supplied by Messrs. Scott Brothers of this city, has been in constant work, night and day, for fourteen years, and has given entire satisfaction, no time having been lost consequent on its going wrong. The workmanship is excellent, and it is likely to last many years longer. At the present time it is practically as good as when erected. "S. W. Blackwell, Chairman of Directors."

208. *Mr. Mackenzie.*] You really are not asking for any increase of duty excepting on the larger engines?—No. In Wellington they asked that governors should be free, but I do not see my way to indorse that request, although some are patented. Governors can be made here, and if no duty were imposed many would be imported simply because they are patented, when others equally suitable could be made here.

209. All you ask for is that you should have facilities for competing with the imported engines? Yes.

210. Do you make agricultural machinery?—No.

211. *Mr. Hutchison.*] Does your firm make dredging-machines?—We have done a little in that direction.

212. I mean such a machine as the Timaru dredge?—We would be only too happy to take an order.

213. If you received an order, would you put the machine down above the Home price?—I do not think so.

214. We have had evidence that a firm here did tender for a dredging-machine, and were £6,000 above the Home price?—That is quite possible, as you get all sorts of prices when you invite tenders.

215. Speaking generally from your experience, what do you think about this matter?—Special machinery of that kind can be made here almost as cheaply as it can be made at Home.

216. How did it happen that you did not tender for that Timaru dredge?—We should not always tender for a job of that kind, as it would depend upon whether it would suit us to have it or not at the time.

217. Generally you think that a firm like your own could go pretty near an English firm in price?—Yes. Ordinary machinery could be made here; in fact, almost anything with the exception of armour-plate or other similarly extraordinary thing.

218. But price is everything?—Well, if we were so much dearer than English engineers, then we ought not to have the work.

219. Could your firm make the parts for the dredge-buckets?—Yes, unless they happen to be of some very special make.

220. *Mr. McGowan.*] Do you include marine boilers and engines in your list?—Yes, so far as they relate to the small boats that can be built here. We cannot compete with the English and Scotch shipbuilders.

221. *The Chairman.*] Are there any kinds of dairy machinery that you could not manufacture here?—I do not think that there is any difficulty in manufacturing anything used in a dairy.

222. Could you manufacture the machinery required for a woollen mill?—We could, but we would not like to do it at the price at which it can be imported. The cost of the first machine is the most, on account of preparing the drawings, models, &c.; these might cost almost as much as the actual manufacture of the machine itself.

223. I suppose it would pay you to make dairy machinery?—Yes.

224. Do you make ploughshares?—We have done so, and might make them again.

225. It is represented that, although the whole plough is manufactured here so successfully that it displaces the foreign article, the share requires to be imported, because one or two Home manufacturers have the secret of tempering the metal in such a way that one share will outlast six colonially-made shares. What is your opinion?—Those who make a statement of that kind do not know anything about the business.

226. You say the shares can be produced here as good and as cheaply as they can be imported?—Yes. There is no secret about the making of the share; it is simply a question as to the quality of the metal.

227. Do you include bolts amongst the articles you wish to have admitted free?—No; except the smaller sizes mentioned in schedule. We make them here. The nuts are machine-made, and we cannot compete with the imported.

228. Are there any other matters you wish to refer to?—I would like to put into evidence some figures giving an idea as to what can be done by machinery made in the colony. There are several pumping-engines in Canterbury, and the engineer of the Lyttelton waterworks has made some experiments as to the economy of various engines. His figures are as follow: The pumping-engine at Sumner, which is an imported Worthington pump, pumped 978,250 gallons 90ft. high on a consumption of 11 tons 7cwt. of coal; the engine we made for Lyttelton pumped the same number of gallons 200ft. high on a consumption of 4 tons 87lb. of coal; a Worthington pump which the Lyttelton Borough Council have did the same work on a consumption of 8 tons 76lb.; and a pump they have in the Heathcote Valley, and which is supposed to be one of the best plants that could be obtained from England, uses 6½ tons of coal to perform the same duty as our pump does on 4 tons of coal. I give you these figures to show that we have the knowledge and technical skill here necessary to do first-class work, and I want this information disseminated through you, because there is an impression abroad in the colony that a really first-class job cannot be done here. I am not a stickler for high prices, and I do not believe in a high tariff. I am a moderate Protectionist, and I think that when we get a duty of 15 per cent. or 20 per cent., if we cannot compete against the outside world, we ought to allow the work to be done by some one else. I have no objection to its being mentioned that I have appeared here to day.

(10.) Deputation representing the Bootmaking and Leathermaking Industries (J. A. Frostick; George Bowron, of Bowron Brothers; Edward George Wood; Thomas Vivian).

229. *The Chairman.*] Are you all boot-manufacturers?

Mr. Frostick: I am a boot-manufacturer. Messrs. Bowron and Wood represent the leather industry. Mr. Vivian, as a salt-merchant, is also connected with the leather trade.

230. Will you kindly state your business?—In accordance with the suggestion of the Commission the representatives of the bootmaking industry and the leather industry have held a meeting, and have agreed to the following recommendations regarding protection for the leather industry:—

"Sir,— "Christchurch, 19th March, 1895.

"Following your suggestion given at the time that the boot-manufacturers and boot-operatives were before you with suggestions respecting boots and shoes, also leathers, we have now the honour to state that the boot-manufacturers and master tanners and curriers have agreed upon a basis of recommendations respecting the leather industry. The suggestions that we now submit differ slightly from those given by the leather- and boot-manufacturing industries separately; but, after exchanging opinions on the various lines, we believe that the proposals we now make will meet the objects in view. The following recommendations were agreed to:—

"'That the under-mentioned leathers be admitted free: Raw or rough-tanned sheep, goat, or East India kip, kangaroo in the hair, green or salted hides. Dressed leathers: Belting and belt-

leathers, 6d. per pound; bridle-leathers, 6d. per pound; buff leathers, 3d. per pound; split leathers, 3d. per pound; glacé or glove-kid, 1d. per pound; goatskins or morocco, 2d. per pound; harness-leather, 6d. per pound; kangaroo or wallabi, dressed or rough tanned, 3d. per pound; hides dressed on the grain, other than levant, 4d. per pound; hides dressed on the grain as levant, 3d. per pound; East India kip, 2d. per pound; mock kid, 3d. per pound; kip, other that East India kip, 4d. per pound; basil, roans, or persians, 3d. per pound; bag-leathers, 6d. per pound; sole-leathers, 3d. per pound; Continental or English calf, waxed or russet, 1d. per pound; leather n.o.e., 1d. per pound; colonial calf, 6d. per pound; stained or coloured calf, 2d. per pound; crup, calf-kid, or levant seal, 1d. per pound; enamelled or japanned leather or cloth, free; leather cut into shapes, 30 per cent. *ad valorem;* bookbinders' skivers or roans, 15 per cent.'

"'That all patented machinery in connection with any trade should be admitted free. Coarse salt should be admitted free.'

"It was moved and seconded 'That Messrs. Bowron, Wood, Frostick, and Toomer be appointed a committee to represent the leather and boot-manufacturing trades before the Tariff Commissioners on their return to Christchurch, and to submit these proposals as the joint recommendations of the two industries.'

"We have, &c.,

"The Chairman, Tariff Commission, Christchurch." [Signatures.]

This document is signed by all the tanners and boot-manufacturers in the district. We look upon Canterbury as the Northampton of New Zealand, and these recommendations, if given effect to, should prove of benefit. The largest tanner in Auckland, who happened to be passing through Christchurch the other day, went carefully through the list, approved of it, and is recommending the Auckland tanners to adopt the same suggestions. The list has also been placed before the trade in Wellington. No doubt in comparing the suggestions we now make with those made previously by the tanners and curriers and boot-manufacturers there will be one or two points the Commission may not be able to understand; but we have endeavoured to meet, as far as possible, any objections. After discussing the matter from the buyers' and sellers' point of view, we are all agreed that the proposals we now submit will enable each of them to carry on their business successfully. There is sufficient protection to allow any class of leather to be made here. Of course, with leathers that are not made in the colony we considered it unwise to interfere, because it is a matter of revenue, and we suggest that the duty on these should remain unaltered, and should be made use of for revenue purposes only.

231. Does this list cover all the leathers used in the trade?—Yes.

Mr. Bowron: I have very little to say in connection with leathers, as Mr. Frostick has put the matter very fairly. We have only asked for higher duties on such leathers as can be made from hides and skins of New Zealand production, and I might add that these duties are practically only sufficient to meet the extra cost of the tanning materials required, and of labour as compared with the cost of these items in Europe. I would—other things being equal, and provided the cost of hides, tanning materials, labour, &c., is not increased beyond their present limits—be quite prepared to enter into a guarantee for three years to supply goods at the same price at which I have been supplying them during the past. There is also a large quantity of salt used in the preparation of pelts, and the present duty of 10s. per ton on salt is directly out of our pockets. Our firm uses between 300 and 400 tons a year, and the whole of our pelts are exported, consequently we cannot recoup ourselves a single farthing. Our pelts are sold in Europe for what they will fetch, and I would offer the suggestion that, if it is necessary to conserve the revenue, were the duty on coarse salt remitted any loss would be more than recouped by doubling the duty on fine salt, which, being an article of universal consumption, would result in every person in the community paying his fair share of taxation in this line, instead of the whole amount coming out of the pockets of a few manufacturers.

232. *The Chairman.*] What about the dairy factories?—I would suggest giving them a rebate on the amount of fine salt used by them annually.

233. *Mr. Glasgow.*] How would you distinguish between coarse and fine salt?—Any one in the trade would distinguish the difference. Fine salt is practically table salt, and I think there would be no trouble about it.

Mr. Glasgow: I am doubtful of that.

Mr. Bowron: Mr. Vivian, who is a salt-merchant, can speak to you on that matter. In connection with patent machinery, we find the duty presses very heavily. We have had to pay £65 duty on one machine, and we ask that patent machinery which cannot be made in the colony should be duty-free. It has been represented to us that an export duty on pelts cured in salt instead of being tanned is likely to be proposed.

The Chairman: The principle of export duties has not been brought before us.

Mr. Bowron: If it were suggested, I should like to have an opportunity of placing before you in writing a rebutting statement. Such a duty would practically kill the industry.

Mr. Wood: An increase of the duties on cheap boots would help the tanning trade, as one-third of our leather output is shipped Home, and if the cheap imported boots were kept out all our leather could be utilised. I also support Mr. Bowron's request that tanners' machinery should be admitted free. We have had to import several machines which cannot be made here.

234. *The Chairman.*] Why cannot they be made here?—Because they are all patents, and there is not a sufficient demand to pay any one to start making them locally.

Mr. Vivian: The duty on coarse salt is 10s. per ton, and it is used by the tanners. I do not know whether or not the farmers have made any representations about the matter. I think the term "coarse salt" would cover the South Australian salt or the "Australian-manufactured salt," as it is called. I ask that the duty should be removed.

The Chairman: The farmers wish to use it for manure purposes, and for hay preserving.

Mr. Glasgow: I think that all coarse salt is Australian crude bay salt.

Mr. Vivian: The salt I refer to is used by tanners, curriers, and farmers, and when the duty was first imposed the question of agricultural salt could not have been carefully considered by the Government, otherwise the duty would not have been charged. Practically it is a duty on manure, and to remove the duty would be the means of increasing the demand for salt amongst the farmers. Common salt is eaten freely by all stock. It keeps them healthy, and, when worked into the land, it improves the quality and creates a prolific growth of grass. The following are the New Zealand importations of colonial salt for the past five years: 1889, 320 tons; 1890, 540 tons; 1891, 1,512 tons; 1892, 1,724 tons; 1893, 1,461 tons.

235. *Mr. McGowan.*] The definition of coarse salt is very indistinct. There are several kinds of salt—rock, bay, coarse, fine, table, and salt used for dairy purposes. Are all these salts used by tanners and curriers?

Mr. Bowron: The salt the tanners use is the ordinary English or South Australian coarse salt, and it is just as important to exempt the English coarse salt as it is to exempt the South Australian. Both are used in the tanning industry, and in the salting of pelts for exportation. Moreover, in the bacon-curing and meat-preserving industries only English salt can be used, as the Adelaide article is not pure enough, and the duty on this salt is a direct handicap on these important industries.

236. *Mr. McGowan.*] Have you been losing money at that business?—Some years we make a fair profit; in other years we lose. On the whole, we keep on our feet.

237. Under these circumstances, the reduction of the duty would only go into your pocket as an additional profit?—I do not see that, but I would be very glad if it did. It would eventually go into the farmers' pockets, like any reduction in freight or other shipping charges on wool and other produce always do.

238. Do you export the cheap leathers that are not in demand here?

Mr. Wood: Yes; the local bootmakers do not make the class of boots or work up that kind of leather, owing to the cheap material imported.

Mr. Bowron: We cannot find a market here for this cheap leather, and what they call "split" is used for insole purposes in the cheap boots of English manufacture; and instead of using this leather, which wears very well, the Home manufacturers use cardboard.

239. *Mr. McGowan.*] Presumably, the leather you export to England comes out here again as manufactured boots and shoes?

Mr. Wood: The leather we import is the very lightest class of sole-leather. There is no demand here for essentially light sole-leather.

240. *Mr. Tanner.*] Can you tell me the landed price of South Australian salt?

Mr. Vivian: About £1 a ton without the duty. The duty is 10s., and with the freight added—say, 10s. a ton—the total cost of salt is £2 per ton.

241. What would be the cost per ton landed on the wharf at Lyttelton, with all expenses paid excepting the duty?—£1 10s.

242. *Mr. Stevens.*] Do you import more of the South Australian salt than you do of the salt known as the Black Horse salt?—We import three-fourths of the Black Horse salt to one-fourth of the Australian.

243. Which is considered the better?—The English, which is a purer salt.

244. What is the difference in price?—The Black Horse is double the price of the Australian salt.

245. And is its strength one-half greater?—I could not say.

246. *Mr. Hutchison.*] They do not use the English salt for manure?—No.

247. Do the curriers?—Yes, for the finer work.

248. What is the price of the English salt here?—About £1 10s. f.o.b., the freight is £1, and the duty brings the price up to £3 a ton, landed in New Zealand.

249. The New Zealand leather is represented to be inferior to the imported leather, not because it is intrinsically inferior in quality, but because it is not kept long enough in the tan-pits: is that correct?

Mr. Bowron: I think it is a mistake, and I would appeal to Mr. Frostick to say whether or not some of the leather manufactured in New Zealand is not as good as the English article in quality.

250. *Mr. Hutchison.*] I have been told that our leathers are not so good, and that putting them in the market sooner than the English makes them less valuable; they do not last so long; is that so, Mr. Frostick?

Mr. Frostick: I do not think the question of the time the leather is kept has much to do with it; it is a matter of price per pound. In some instances I am bound to admit that the English leather is better, but then it is a question of price. We have just introduced a machine to turn out the best quality of work, and we imported American and English sole-leather in order to get the very best material. We also gave the Woolston Tannery Company an order for sole-leather, giving them plenty of time to produce the best article they could for the purpose. The local leather beat both the English and American, and we have placed no more orders in either of those countries for sole-leather. We pay an extra price for the local article, and we get an extra quality. The New Zealand tanner is in a position to treat the leather properly as well as the English tanner, and to say the English tanner makes a better article for the price than the colonial tanner is what I am not prepared to admit.

251. *Mr. Hutchison.*] How can we get any proof of this beyond mere statements?—Perhaps nobody is able to give a better opinion than myself in the colony.

252. Have you the oak-tanned leather here?—There is a good deal of sentiment about this matter of tanning. Oak-tanned leather is very good, I admit, but probably the very best leather you can use is the wattle-tanned leather, if treated with the same care by the tanner as in English-

made. For all practical purposes the colonial tanner ought to be able to produce leather for any class of work that may be demanded here. We have had practical experience of English sole-leather in our factory, and the colonial manufacture has succeeded in beating the English article.

253. Then, I can hold up my head before everybody, and I need not be ashamed of our colonial leather?—You need not be ashamed of it, provided you get the right tanner. With reference to the class of leather shipped from the colony to England, this leather is used for the very light class of boots that are imported, and if we get the duties we now ask for we shall be able to make these boots here. A certain class of sole-leather will then be in demand, and the leather that is now shipped to England will be very handy for making the class of boots required. We have no objection to our names being published.

(**11.**) Deputation representing the Boot-manufacturers and Employés (J. A. Frostick, H. Milligan, and J. A. Kemp).

254. *The Chairman.*] I think you attend as a deputation representing the bootmaking industry?

Mr. Kemp: As manufacturers and employés.

255. *The Chairman.*] What matter do you wish to refer to on this occasion?

Mr. Frostick: When we appeared before the Commission before there appeared to be a certain amount of doubt in the minds of the Commissioners as to whether or not the deputation was not rather exaggerating when we described the class of boots that were imported and sold to the New Zealand public. Some of the Commissioners also seemed to think that the working-classes might be asked to pay more for their boots than they had been in the habit of doing if the proposals we made were adopted by being compelled to buy the colonially-made article instead of the imported article. To convince the Commissioners that we do not in any way exaggerate the matter the other members of the deputation will submit to you some samples of finished boots obtained in the shops here. These boots are imported, and the Commission will be able to judge for itself the quality of the materials composing them. [Samples put in.] The materials seem to be shoddy, compo., and brown paper.

Mr. Kemp: The prices of these boots retail in New Zealand are 3s. 6d., 4s. 9d., 6s. 11d., and 8s. 6d. The soles are composed of brown leather, but the rest of the boot is rubbish, although made to look well. Boots are also being made in Japan for export to the colonies [sample produced].

256. *Mr. Hutchison.*] Your object in proposing the tariff you did was to entirely exclude these boots?

Mr. Kemp: Yes; in order to give trade to the colonies, and to encourage them to put good leather into all the goods.

257. *Mr. Hutchison.*] But perhaps people will not get these cheap boots if you forbid their importation: what then?—A person who pays 7s. for a colonial shoe in preference to paying 4s. 9d. for an English shoe gets an article that will last three times as long.

258. If people insist upon getting the English shoe, what are you going to do?—I think that they should be asked to pay the same price as for the colonial shoe. We should give a better article for the money.

259. Then, is this a proposal to make people frugal and virtuous by means of the tariff?—It is to make them purchase one pair of colonial boots, and if they do that they will not purchase any more imported boots.

260. Is there any reason why you cannot make your boots look as nice as they do in England?

Mr. Frostick: I beg leave to say that is entirely incorrect, and we will prove to you, if you visit the factory, that the article we produce is equal in every respect to the article imported. Our better class of boots have to be sold as imported, in order to induce people to buy them.

Mr. Hutchison: I do not think that you do manage to make these cheap boots as nice and neatly finished as the better-class boots.

Mr. Frostick: If we have any desire to protect the interests of the New Zealand working-man we should certainly consider that it is wrong for us to consume articles that are made under the conditions which these imported goods are in London and elsewhere. If the majority of people knew the amount of suffering that had to be undergone in order to produce these boots they would not buy them.

(**12.**) Mr. William Rowe examined.

262. *The Chairman.*] What are you, Mr. Rowe?—A manufacturer of hedge-tools. It is twenty-five years since I started the industry in the colony.

263. Do you employ much labour?—Only my son and myself.

264. What kind of tools do you make?—Hedge-slashers, samples of which I produce, together with a sample of the imported article, which is an imitation of mine.

265. Have other people been imitating your article?—Yes, for the last twenty-five years. Mr. John Duthie, the member for Wellington, was the first gentleman who sent my colonial-made articles Home to be copied. This was in Wanganui, and I am satisfied that Mr. Duthie will testify to the same thing, as I know that he will not tell an untruth.

266. Do you know a manufacturer in the South named Edwards?—Yes.

267. Do you know that he claims to be the inventor of this system of fixing the knife in the handle?—Yes.

268. And do you claim to be the inventor of the same system?—Yes. Edwards's system is not so simple as mine. He places no rings round the handle.

269. What do you wish to represent?—I wish a further tax placed on each imported article, in addition to the present general *ad valorem* duty.

270. Of how much?—Twelve shillings a dozen, in addition to the present duty of 20 per cent.
271. What is the price of your goods?—From £3 6s. to £4 4s. per dozen, less a trade discount of 30 per cent. I paid 4s. retail for this English article.
272. Is the article you manufacture one that can be depended upon to stand hard work, in the same way that the English article can be depended upon?—The article we manufacture is superior altogether to the English one.
273. Is it not the practice in the trade, when a hook turns out unsatisfactory, to give a fresh article in place of it, and to take the damaged one back?—That is correct. We give a guarantee that every article is good and genuine.
274. How many have you had returned?—None since I have imported my own steel. I might have had six returned possibly during the past three years.
275. Have you supplied any to Mr. Zander, Ashburton?—No.
276. It is urged by the users of these articles that the great difficulty is that they are not properly tempered, and for that reason a number fail to give satisfaction: do you undertake to turn out an article that, as regards the tempering of the blade, is equal to the imported?—Yes.
277. *Mr. Mackenzie.*] The object of this 12s. a dozen and 20 per cent. *ad valorem* duty is to enable you to obtain a better price for the knife: is not that so?—We have not sufficient sale for our goods. I and my sons have worked for twenty-two weeks, and our average earnings have not been 3s. each per day.
278. What increase in the price do you require in order to make them pay?—At least 1s. each wholesale.
279. Are the Home people competing against you now?—The imported knife is taking the place of mine.
280. But you are still selling?—Yes.
281. What price are you getting?—From £3 6s. to £4 4s. a dozen, less 30 per cent. discount.
282. Averaging about 5s. each?—Yes.
283. Why do you sell at less than cost?—Simply because people will not take mine, as the imported article is underselling me.
284. And it does not pay you to turn yours out at the price you are getting?—No.
285. So an increased duty is to enable you to get an increased price?—Yes.
286. *Mr. Hutchison.*] Where do you get your handles from?—America.
287. Cannot you get them in the colony?—I got some locally once, but the quality was not good enough, and I made some myself out of titoke timber, but found it unsuitable. I now use the American hickory.
288. *The Chairman.*] Have you any objection to your name being published?—No.

Wednesday, 20th March, 1895.

(**13.**) Nicholas Oates examined.

289. *The Chairman.*] What are you?—A cycle-maker. I have been in business in Christchurch eleven years, and employ twenty-five hands here, and four at Napier.
290. What do wages run in your business?—For boys, 5s. the first year, 10s. the second, 15s. the third, £1 the fourth, and £1 5s. the fifth. For men, 9s. per day. My annual expenditure in wages is £1,100.
291. What is the annual value of your output?—About £3,500.
292. We presume you wish to refer to the tariff as it affects your industry?—I ask that rubber tyres for bicycles should be admitted free of duty. They now pay 20 per cent., and were free until June, 1894. The duty was then imposed, because the importers imported the finished machines without tyres to evade the duty. The tyres cannot be made in the colony. I also ask that rims, forks, spokes, drop forgings, and malleable castings should be free; all other finished parts, and the finished machines, to be dutiable, as at present, if imported. Within this last six weeks fifty-seven machines were landed for one firm here, and their importation has thrown twenty hands out of employment.
293. But they paid duty on them?—Yes.
294. Do you not think that the duty is sufficient?—Not as the Home-market is at present.
295. What duty do you ask?—An additional 10 per cent., making 30 per cent. Private individuals import bicycles direct; twenty were sent for last season by young men in Wellington.
296. Do you make as good an article in the colony as can be imported?—Yes.
297. Have you any proof of that statement?—All the experienced riders use colonially-made machines, and I think that all the records have been made on colonial machines.
298. Do you want the duty on the finished parts, other than those you wish exempted, increased to 30 per cent. also?—Yes.
Mr. Glasgow: I would like to remark that by making all tyres free you, of course, reduce the duty on the finished machine.
299. *The Chairman.*] That being the case, do you wish the duty on the finished bicycle raised beyond 30 per cent., Mr. Oates?—Yes, to 40 per cent.—that is, on finished machines landing without tyres, otherwise the machines would be imported without tyres to evade the duty. The firm that sends these machines to New Zealand is the Austral Cycle Company. They have just had to pay £1,400 for defrauding the Customs in Melbourne.
300. Have you any objection to your name appearing in print?—No.

(**14.**) Thomas White examined.

301. *The Chairman.*] What trade are you engaged in?—Silversmith. I have been eleven years in business in Christchurch, and do not employ labour. The present duty of 20 per cent.

on silverplate is not sufficient to enable our trade to compete with the English and American imported work, and I ask that it should be raised to 35 per cent. Raw silver is worth about 4s. an ounce, and the manufactured silver £1 to £1 5s. an ounce, according to workmanship.

302. What amount of labour is employed in your business?—In work valued at £25,000 the labour would represent £20,000.

303. Do I understand your trade to include the manufacture of silverware?—Yes; everything, from candelabras down to forks.

304. Can these articles be made here?—Yes.

305. In the event of the duty being increased, would not the tendency be to diminish the consumption?—If we were protected for a few years I think we should be able to sell our work cheaper than the imported article is sold at now.

306. How long do you think the increased duty would be required to enable you to do that?—Five years.

307. Do you include electroplate in your request?—Yes.

308. Is there any probability of your getting any immediate orders if the tariff were raised?—Yes.

309. The value of silverware imported in 1893 was £5,500, of electroplate £17,500. Are there not persons in the colony who undertake the making of electroplated goods now?—We electroplate the ware, but we do not manufacture the goods, but we do special orders.

310. *Mr. Stevens.*] I understood you to say that you paid 4s. an ounce for silver: how long ago?—We buy it now from England—*i.e.*, unalloyed silver.

311. In other parts of the world it is 2s. 9d. Have you heard of a firm in India called W. Hamilton and Co.?—No.

Mr. Stevens: Well, they turn out any kind of silver-work, and charge a third for workmanship. I have seen it carried about by the natives, and you will have tons offered to you, the silver being worth 3s. 6d. an ounce. They add a third for the workmanship.

312. *The Chairman.*] Is that the proportion of difference between European and Indian labour?

Mr. Stevens: Yes. I merely point this out to show you that if you sent your orders to India you could get the work done for much less than you can here, after allowing for the duty here.

Witness: That is why we ask for protection.

313. *Mr. Stevens.*] Would the effect of the duty you ask for be to give a larger amount of work, seeing that silver-work can be imported at the price that I have named, *plus* the duty?—Yes.

314. *Mr. McGowan.*] Is it not the fact that there are other classes of goods coming into the New Zealand trade that very seriously affect your market?—Yes.

315. If an additional duty were placed upon silver and electroplate goods, do you not think that the position of those other metals that are now taking the place of silver very largely would be still further improved?—That question I can hardly answer, because most people go in for sterling English silver, and we are injured by the importation of the English Hall-marked silver. It can be imported for 15 per cent. less than we can manufacture it.

316. You have no opportunity of putting the English Hall-mark upon your silver?—No; we put "sterling silver" upon it.

317. But your statement with reference to the English Hall-mark would still weigh with the people who wished to buy silverware, and they would buy the Hall-marked silver in preference to that marked "sterling silver." Is that not so?—Not if the goods were made in the colony.

318. Could you manufacture the "Siberian" and "Potosi" silver goods?—We could, but we have not done so.

319. *Mr. Tanner.*] You spoke of raw silver being worth 4s. an ounce, and, if manufactured, as worth from £1 to £1 5s. an ounce. In looking over the returns we find the value of the silverplate imported in 1893 averages 5s. 6d. an ounce. Would you call silverplate manufactured silver?—Yes, but there might be rolled silverplate coming in, not worked-up material. That was exempted from duty to allow me to import the rolled silver free.

320. Is not silver imported duty-free?—Plain silver is, but made-up silver is charged 20 per cent.

321. Is silverplate free, or not?—Silverplate in the roll is free.

322. The average value of the silver imported in 1893 was 5s. 6d. an ounce. How does that agree with your statement *re* manufactured silver?—It does not agree, but all made-up work is usually worth from £1 to £1 5s. an ounce, according to workmanship, both here and in England.

323. Is the rolled silver used in your work?—Yes, and it is free.

324. *The Chairman.*] Do you wish your name published?—No.

(15.) Thomas Waddell examined.

325. *The Chairman.*] What are you, Mr. Waddell?—A steel-founder. I have been in business in Christchurch twelve years. I sometimes employ one man. There is not enough work always for two.

326. What is the nature of your request?—I wish a duty of 30 per cent. placed on (1) steel castings, and (2) cast malleable castings. With this duty the local foundries would be able to obtain a fair share of the steel castings made outside the colony and imported.

327. If the duty were imposed, how much more labour would be employed?—I would be able to employ three or four men full time, and the same result would obtain elsewhere.

328. Would not the cost of machinery be increased by the amount of the duty if such duty were imposed?—I do not think so. The cost of the imported crucible steel castings is 5½d. per pound, landed, and I have arranged with Booth and Macdonald to make the whole of their castings, both steel and cast malleable for 6½d. per pound.

329. Is there anything else?—I wish to point out that the importers make a large profit on these imported goods. In many cases the price when they reach the consumer is 1s. per pound.

330. So that, if you supplied direct to the consumer, you could supply the material at a price that would compete with the Home price?—Yes. If I got the price the goods were sold at here it would pay me handsomely. I also ask that a duty of 30 per cent. should be placed on the imported steel castings for traction-engines and bicycles.

331. Are they imported in the rough, or partly finished?—They are partly finished.

Mr. Glasgow: What are drop forgings? They are not castings, and they cannot be made in the colony. They are free at present.

332. *The Chairman.*] Do you think that rims, forks, spokes, drop forgings, and welded tubing for bicycles should pay duty?—Yes. I also ask that steel crucibles, for steel-making, should be admitted free.

333. *Mr. Mackenzie.*] Can you make the bicycle-work referred to here?—Yes. I simply make castings.

334. *Mr. Tanner.*] Do you use many crucibles?—One steel crucible lasts seven times before it is worn out. The price is £1 7s. 6d. each, and a No. 60 crucible will hold 70lb. of metal.

335. How many do you use in a year?—Not many, on account of the duty.

336. *Mr. Stevens.*] Can you cast ploughshares equal to the imported article?—I do not cast them. There are no steel-cast ploughshares. I have made one or two samples for Duncan, but the only ploughshare I have made has been for hillside ploughs. These I have made very satisfactorily, but they have not come into general use, because steel ploughshares, which are made of forged steel, bend with the pressure.

337. Do you consider the colonial ploughshare equal to the English?—I cannot express an opinion.

338. Supposing there was sufficient demand, could you cast the same kind of ploughshare as that used in Ransom and Simms's ploughs?—Certainly.

339. Do you consider the hillside ploughshares that you have made for Booth and Macdonald equal to the imported?—Yes.

340. *Mr. McGowan.*] What sized castings do you make?—The largest I have made are wheels weighing 225lb. apiece for the Taranaki Harbour Board. I wish to put in the following testimonial from Booth, Macdonald, and Co.: "Mr. Waddell has made quite a large number of malleable iron and steel castings for us, which we have used both in our shops and in the manufacture of machines for sale. We are quite satisfied with the quality of his work, and, so far as we can judge, they are equal to similar goods made in England. We are drawing our supplies mainly from him, and no complaint of any kind has reached us.—Booth, Macdonald, and Co."

341. *The Chairman.*] Do you object to your name being published?—No.

(16.) C. J. Clayton examined.

342. *The Chairman.*] You are a bootmaker?—Yes. I have been twelve months in business here and several years in England.

343. Do you employ many hands?—Six.

344. What representations do you wish to make?—I have taken up a branch of the trade not hitherto carried on—namely, the manufacture of children's boots and shoes. I can compete fairly well with the middle-class lines, but the very small sizes, 0's to 3's, are now admitted free, and I ask that a duty should be imposed on them.

345. What duty do you ask for?—20 per cent. I could then make a large quantity of the goods that are now imported.

346. A statement was made to the Commission the other day that no children's shoes, 0's to 5's, have been made in Christchurch: is that true?—I have made hundreds of gross of 3's to 6's [samples produced].

347. *Mr. Mackenzie.*] I presume that such a size as 0's is hardly ever used?—Hardly. Very few are imported.

348. So that your business really lies between 3's and 6's?—Yes.

349. Then, you want a duty on 0's to 3's?—Yes.

350. If a duty were imposed, would the price of these goods be increased by the amount of the duty, 20 per cent.?—I do not think so.

351. Cannot you speak positively for yourself?—I am certain the price would not be increased, for the reason that at the present time the importers have ceased to import some of the goods I am making.

352. And you can now hold the market?—In many lines, Yes, with the exception of the very common lines.

353. If you can hold the market now, and if you have displaced the English goods, it cannot matter to you whether there is a duty or not, so long as you obtain plenty of business?—I want to increase my output.

354. Are you kept fully employed?—Yes. I could use the "offal" for these smaller lines, and with a duty could successfully compete with the imported lines in these sizes.

355. Is it not, then, rather a question of making known what you are able to do in certain sizes?—I do not think so.

356. You think that if the imported goods were made dearer generally, people would buy from you?—Yes.

357. Supposing a duty were imposed, and you were able to work up this waste material into small-sized boots, would not the price of them then become 20 per cent. dearer?—No, because they would be made in such quantities that I could turn them out as cheaply as they can be imported.

358. So your contention is that the effect of the duty will not be to increase the price, but simply to change the market?—Yes.

359. That is your only reason?—Yes.

360. Do you use leather in these small boots, or a paper substitute?—Mine are made of al leather of colonial production.

361. You do not use cardboard, paper, or rubbish?—No.

362. Is this article a sample of the goods you have to compete with [sample produced]?—Yes.

363. Are the imported goods made of leather, or not?—Very few are composed of all leather.

364. *Mr. Tanner.*] What do you call this style of stiffening in this imported boot?—Paper, and nothing else.

365. Is the outside composed of leather?—The sole is, as a rule.

366. And the uppers?—They are generally made of cloth, but the uppers in this pair of boots [produced] are made of sheepskin.

367. *Mr. Mackenzie.*] What is the value of the colonial article?—3s. a pair.

368. And the English one?—It is sold here for about 2s. 9d. a pair.

369. I suppose out of one sheepskin you could make a hundred boots like this [produced]?—Perhaps eighteen.

370. What is the value of a sheepskin?

Mr. Stevens: Two shillings, tanned.

Witness: This is a shoe I am making to compete with the English production [sample produced]. The upper is a cowhide split.

371. *Mr. Mackenzie.*] What is the retail price here of this English shoe, which is about a size larger than the one sold here at 2s. 9d. a pair, and already referred to?—3s. a pair.

372. *Mr. McGowan.*] What would you make the same sized boot for?—3s. 6d. a pair.

373. Is it absolutely necessary to make a shoe like this all of leather?—I think so.

374. Why?—There is more durability in such a shoe.

375. *Mr. Hutchison.*] Do you not think this little leather shoe is rather unwieldly for infants?—It is simply a matter of taste.

376. Do the merchants buy this class of shoe from you readily?—Yes. I make a lighter class of shoe as well.

377. Would they be cheaper?—Not necessarily so.

378. *The Chairman.*] Do you care whether your name is published or not?—No.

(17.) Nimrod Mitchell examined.

379. *The Chairman.*] What are you?—A carpet-manufacturer, in business at Woolston. I employ one hand besides myself. Eight years ago I employed twelve or thirteen.

380. What carpets do you make?—Scotch kidderminsters, tapestry, stair-carpets, and jute carpets. I can produce any pattern and colour required.

381. How many men would you employ if your machinery were running full time?—About fifteen.

382. What would then be the value of your output?—£165 a week.

383. What matter do you wish to represent?—My business has fallen off on account of the importation of the cheap tapestries, jute and cotton goods, imitation Brussels, and kidderminsters.

384. Are your goods equal in quality to the imported goods?—Yes.

385. Is there a prejudice against the colonial-made article?—Yes, in some places.

386. What do you ask?—For a high duty on all goods invoiced below 2s. 6d. a yard.

387. Of how much?—I have not considered that.

388. What is the price of your kidderminsters?—3s. 6d. per yard wholesale for squares; piece-goods, 3s. 4d.

389. What is the price of the imported kidderminsters under the present duty?—About the same.

390. What carpets do you want the duty on?—Union kidderminsters invoiced from 1s. 1½d., and which come in here at about 1s. 6d.; and the jute, landed in the colony at 6d. and upwards; and the cheap tapestries landed at 1s. 2d.

391. What amount of duty do you think would be sufficient to prevent them competing with you?—15 to 30 per cent. additional duty.

392. *Mr. Mackenzie.*] Do you make a carpet to compete with the China and cheap jute matting?—No; there is no room for us to do so.

393. Assuming there was?—I could make an article that would suit the people better at about 2s. or 2s. 3d.; but I know of no matting that would take the place of China matting.

394. If you put a duty of 30 per cent. on the China matting and cheap jutes, you would simply make these articles about 30 per cent. dearer to the poorer people, who chiefly require them?—I do not think it is the poor people who buy the China matting.

395. Yes; they do in some instances. An increased duty would mean an increased price to the user; and even with a heavy duty you cannot supply an article. Could you supply a carpet at 1s. 6d.?—Yes.

396. Of what width?—3ft.

397. All wool?—Wool and hair.

398. Take these kidders at 3s. 4d.: is that what is called a three-ply kidder?—No; a two-ply.

399. What is a three-ply kidder?—There is not a piece sold in twelve months; so it is not worth considering.

400. Are they not made now?—Some are made in Kilmarnock and Yorkshire, but they are not imported.

401. I suppose the three-ply kidder is one of the best wearing carpets for the money?—It is not so good as the two-ply. What is called a medium three-ply is made.

402. Your price is about level with the Home price now, is it not?—Yes; in the two-ply.

403. Therefore, if the duty were increased by 5 per cent., would not that keep out the imported article?—Yes; I think it would pretty well shut it out.

404. So you would be in favour of making the duty 20 per cent., instead of 15 per cent.?—I am not asking to raise it at all except on carpets invoiced below 2s. 6d.

405. Supposing it were decided to include carpets in the drapery tariff, and the Commission recommended that drapery should be classed for duty at 10 and 20 per cent., which of these two classes would you prefer to put carpets under?—I should say, 20 per cent.

406. With anything above 2s. 6d. you are quite content?—Yes.

407. Do you get anything like half the trade?—No.

408. With a duty of 20 per cent., I suppose you would get the advantage?—Yes.

409. It seems to me, from what you have said, that in the lines above 2s. 6d. you are likely to be the most successful: is not that so?—Yes.

410. *Mr. Hutchison.*] Does it not occur to you that there is really no competition between your manufacture and the cheap things you have referred to, and that it is quite impossible for the tariff to adjust these prices to suit you. The imported articles are so much cheaper that they are really not in your line at all?—A fair profit is obtained on these low-class articles; but I think that an additional 15 per cent. duty would make the people go in for something better.

411. Do you not think that it is rather hard to shut a poor man out of these cheap goods?—I do not see that there is anything hard in the matter. He pays a pretty fair price for some of these lower-class articles.

412. I doubt it?—Well, if people are satisfied with jute carpets, the sooner I and others close up and go in for something else the better.

413. *The Chairman.*] Do you wish your name published?—No.

(18.) Henry Francis Wigram examined.

414. *The Chairman.*] I think you attend, Mr. Wigram, in consequence of having been informed that the Commission can only take oral evidence?—Yes.

415. You sent in a letter on the subject you wish to mention: do you want that letter put in the evidence?—Yes.

"Sir,— "Cathedral Square, Christchurch, 15th February, 1895.

"It being proposed, as I understand, by the South Australian Government to admit our barley free of duty, I should be glad if you would allow me, as having some knowledge of the trade, to give a few reasons in favour of a similar concession in the case of malt. The advantages to this colony are sufficiently evident. We should export malt instead of barley, and thereby afford employment to a number of our colonists in a manufacturing business which is carried on in the winter months—that is, at a time when work of all kinds is scarcest. The profits of the manufacture would also remain in this colony.

"But it may be urged that South Australia is equally anxious to foster local industries within its own borders, and may fairly demand so to arrange its tariff as to protect its own malting industry. It is my present object to point out that the analogy is not altogether a true one.

"The climate of South Australia is not adapted for making sound malt. This is admitted by all experts, and can be proved by the fact that, although good barley is grown in that colony, English malt still continues to find its way to Adelaide, in spite of a duty of 4s. 6d. per bushel, which might have been deemed prohibitive.

"Under similar climatic conditions in Victoria, where a protective policy has fostered a large malting industry, it has been found necessary to adopt what is technically known as the 'pneumatic process,' whereby machinery almost entirely supersedes manual labour; and not only is one of the main advantages of a local industry thus done away with, but the product itself is not equal to that turned out by what may be termed the 'natural process.'

"The South Island of New Zealand, and perhaps Tasmania, are the only parts of Australasia where malting can be carried on under suitable climatic conditions, and I maintain that an industry such as this, which is so specially adapted to the colony, and assists our farmers by affording a steady local market for their barley, as well as winter employment for a section of our shearers and harvesters, is worthy of due consideration at your hands. "I have, &c.,

"The Chairman of the Tariff Commission, Christchurch." "Henry Wigram.

416. You are, I think, a maltster yourself?—Yes. I have been in business in the colonies ten years.

417. And this letter embodies the result of your own experience?—Yes.

418. How many employés have you?—About thirty.

419. Of course, it is only employment during a portion of the year?—Twenty-five out of the thirty would be employed during the winter months; the other five are permanent hands. Their wages are about £8 a month; there are two boys out of the thirty hands.

420. Is there a sufficient quantity of barley grown in the colony to supply the local requirements, and to leave a margin for export of malt?—This year there is, but for the previous two years the supply of barley has been very much below this year's supply.

421. I presume that the cultivation of barley would be extended in proportion to the extent of that trade?—Certainly. I think it is almost certain to be extended in any case on account of the low price of wheat.

422. And the amount of cultivation would depend upon the consumption?—Yes. We are already doing a considerable export trade with New South Wales.

423. Supposing the supply increased very much, on account of the barley paying better than wheat, would there be a danger of the price falling?—It would fall undoubtedly, but good barley would always command a favourable price until we produced three times the amount we grow now.

424. Then, you look to the Australian Colonies for a wider extent of business?—Yes.

425. I suppose the local maltsters supply the local market?—Yes. No English malt comes here.

426. *Mr. McGowan.*] From your experience, can you say if we can grow as good a malting-barley in New Zealand as they can grow in England?—I believe that in parts of New Zealand we can grow the best barley in the world. I have shown samples to men at Home, who have told me that the samples would command the highest price in the market.

427. And, as a consequence, trade of that kind should be encouraged?—Yes.

428. Does Victoria import much malt from England?—I could not say. They make very large quantities there by this new pneumatic process.

429. The duty in Victoria is 4s. 6d. per bushel, is it not?—Yes; the same as South Australia and Queensland.

430. So that if this duty were removed it would induce our farmers to go in for growing more?—We can grow more than New South Wales and Queensland will take. In Queensland they make none.

431. Does it pay our farmers to grow barley?—Yes, on suitable land.

432. *The Chairman.*] Have you any objection to your name being published?—Not the slightest.

(**19.**) William Gimblett examined.

433. *The Chairman.*] What are you?—Nurseryman, seedsman, and retail fruiterer. I have been twenty-two years in the business in Canterbury. I am also a grower.

434. What do you wish to state?—I think the duty on imported fruit should be increased to 1d. per pound. I refer to stone fruit.

435. Do you include in that all kinds of plums and apricots?—Yes.

436. Have you anything to say with regard to raspberries?—I do not think that many are imported. They might come in as preserves.

437. Would you consider it unreasonable to make them dutiable?—No.

438. What about apples?—The present duty of ½d. is sufficient, and if we cannot compete with the outside market with that duty it is time we did.

439. *Mr. Mackenzie.*] Can you not grow plums to compete with the Tasmanians?—No; they have five weeks' start of us, and come by water to our ports cheaper than ours can be sent, and, getting first in the market, second and third orders are given before New Zealand gets a chance.

440. Supposing you had the benefit of protection for a fortnight in the earlier part of the season, would that do you?—No; their bulk would still be in about the time our bulk is ready. They would have the early markets of New Zealand for a small duty. We would not be able to compete for want of the fruit. Then, if duty was taken off their later sorts, they would still compete with our early crops, and New Zealand does not get fair-play with their long season. I say, again, make the duty 1d. per pound, and the early fruit could come and the late would not, and it is not wanted. If our trees are looked after properly plenty of plums are here for our wants; and our money is kept in New Zealand, and work for hundreds of people given.

441. If that is so, can you not compete with the imported fruit, which now pays ½d. per pound duty?—Yes, I am quite prepared to admit that; but supposing you have a heavier duty for one month on their fruit, how are you going to draw the line?

442. In the same manner that you do in regard to game, by preventing the sale of our game for a month after the shooting season opens. Take the case of two men who start plum-growing—an Australian grower and a New Zealand grower—both being experienced men, and giving their fruit the same attention: do you mean to say that the New Zealand grower cannot compete, man for man, with the Australians in plums?—Yes, if he starts at the same time.

443. But, assuming he does not, no housewife will give ½d. per pound more for Australian plums in order to get her jam made a week sooner?—Such people do not study the retailer. When the fruit is taken to their doors it is of very little consequence where it comes from. Then the New Zealand grower comes along and finds that the jam has been made from the imported fruit, and the people tell him that they did not know that they had bought imported fruit. We think that the imposition of the heavier duty will render the market steadier, and will induce the local growers to go in for the earlier fruits. The public will get better food, and people will wait for the local fruit for jam-making in preference to buying the imported. I have an objection to my name being published.

(**20.**) Arthur C. Reid, representing Messrs. A. J. White and Co., examined.

444. *The Chairman.*] Will you kindly state what you wish to represent?—I have to point out an anomaly regarding the duty charged on American chairs imported by our firm. We are charged duty on the cost of getting these chairs from the factory to the ship, in addition to the duty on the chairs themselves. In this invoice [produced], for chairs shipped by Heywood Brothers, New York, per "Firth of Forth," of the amount of £99 15s. 10d., the sum of £20 12s. 6d. is charged for railway freight, on which we have to pay duty.

445. Your complaint is that on purchasing goods you have to pay the transit from the factory to the port of shipment, and, as such charges are added to the invoice, you are charged duty on the total, the duty being levied on the actual invoice itself?—Yes.

446. On the invoice you produce you claim that the sum of £20 12s. 6d. ought to be eliminated in calculating the amount for duty?—Yes.

Mr. Glasgow: I might say, for the information of the Commission, that the New York invoices for chairs and other goods show the New York prices and the usual discounts, but, in addition, there is an arbitrary discount shown, which is not a trade discount. It represents the handling charges, and these handling charges are added afterwards to the invoice in a separate line. In reference to those cases, we have undoubtedly refused to admit the latter discount as a genuine

trade discount, because no such discount is allowed in New Zealand. This invoice [produced] is an invoice from Gardner, Massachusetts, and it does not show any item for casing.

Witness: Neither do the invoices for the Austrian chairs.

Mr. Glasgow: As a rule, there is a lump sum added to the invoices from New York.

Witness: I do not think so.

Mr. Glasgow: Then, I think it is your duty to represent the matter to the Commissioner of Customs for consideration. I am not prepared to say what course will be adopted, but I think that is the first step to take.

447. *The Chairman.*] In this particular case, whence were the goods imported?—From Massachusetts; and they are shipped from New York.

447A. We have taken a note of your complaint, although it hardly seems to come within the scope of the Commissioner's inquiry, being more a matter of administration. If the importers here were able to prove to the Customs that the sum of the rebate asked for had been actually spent in freight, that might simplify the matter. I can quite understand the Customs insisting upon charging on the value in New Zealand. I think you should appeal to the department. Have you any objection to your name being published?—No.

[I also produced invoices from Germany and England upon which there was a charge for railage from the factory to the ship's side. In neither of these cases are we charged duty upon railage. —A. C. R.]

(21.) William Stokes examined.

448. *The Chairman.*] What are you?—A nail-manufacturer. I have been ten years in business in Christchurch. I employ six hands. I have employed twenty-two: all lads.

449. What do boys earn?—12s. to 14s. a week, piecework. I make the American wire nail and the lead-headed nail. My output is £100 a month.

450. What do you wish to bring under the notice of the Commission?—I ask for a heavier duty on the imported wire nails. The present duty is 2s. per hundredweight.

451. What do you want the duty raised to?—7s. per hundredweight.

452. What is the price of your manufactured article as compared with the price of the imported?—I have given up the manufacture, as the merchants will not give more than the price of the imported nails.

453. Taking the average size, would the price of the imported be 11s. 6d. per hundredweight?—I could not supply them at that price.

454. Why do you not go on making them?—I want the advantage of the extra duty.

455. That would make them 18s. 6d.: could you supply them at that price?—Yes; the price of the wire at Home is 8s. per hundredweight.

456. Then, your object is to raise the price, and the only way to enable you to compete with the imported nails is by putting on a duty of 7s. and doubling the cost to the consumer?—Exactly.

457. The advantage you have to set against that is the extra amount of labour that would be employed in making the nails. If the foreign goods cost 18s. 6d. with duty added, and you could supply them at 18s. 6d. also, do you think you would get the command of the whole market?—With the duty it might be possible to make them for 1s. less—say, 17s. 6d.

458. What amount of labour would be employed if you got the whole market?—I have no idea.

459. Is there any other matter?—I am also a manufacturer of fireworks; but the trade is cut very fine, on account of the cheap imported goods.

460. They pay 20 per cent. duty now: what increase do you want?—To 40 per cent. A hundred pounds' worth of fireworks could be manufactured with an expenditure on raw material of £20. I also ask that the duty on Australian wine should be retained, as we are making wine in New Zealand. It is an industry of my own. I have no objection to my name going into print.

(22.) Deputation representing the Furniture Industry (David Sykes, John M. Mitchell, J. Lawrie, Henry Pyke, and Edwin Edmonds).

461. *The Chairman.*] Do you attend as a deputation from a particular trade?—From the wholesale furniture-makers.

462. We will take you first, Mr. Sykes?

Mr. Sykes: Roughly speaking, there are 1,600 men engaged in furniture-making in the colony, and we are now threatened with an invasion of Chinese and Japanese goods. The wages there are from 2d. to 6d. a day of twelve hours, and imported goods can be bought in Christchurch for 3d. which we cannot produce under 1s. 3d. Japanese cornice-poles, without rings or ends, are sold in Christchurch for 4s. 6d. a dozen, and they cannot be produced here wholesale for less than £1 4s. a dozen, unpolished.

463. *The Chairman.*] Are the Japanese poles made of bamboo?—Yes. Ours are made of unpolished kauri. The local merchants are laying themselves out for this trade. Mr. Harris is in Japan now—his second trip; and Mr. Duff, of Cashel Street, is going in for this trade largely, and, I understand, is supplying the D.I.C., White's, and Strange's, and others. Even with a large duty we cannot compete against this line. A lot of this Japanese imported furniture is infected with a microbe [small Japanese cabinet, showing insect, produced], and if it gets into our wooden houses the effects will be disastrous.

464. What do you propose?—We think that the Government should treat this insect and furniture as an "undesirable immigrant," and that this information should be made public. On furniture generally we think that there should be a duty of 10 per cent. additional. The bulk of the imported furniture is what is known as burrow, or garret, furniture. We could compete with the high-class furniture if it came in duty-free, because we can produce first-class furniture here equally

as well and as cheaply as a first-class English maker can, but we cannot compete against the goods made in the London slums.

Mr. Mitchell: I am a manufacturer of chairs, but I have a strong opponent in the American chairs manufactured in prisons and exported to the colonies. Their sale is prohibited in the States, and they are sold here at the price one can buy the timber for. This class of chair is flooding the colony, and at a price that defies competition. The Austrian chair is manufactured by workmen who only receive 1s. 8d. a day; the chair is produced in Vienna for 3s., and is sold here at from 5s. to 5s. 6d., leaving no margin for the local manufacturer at all. The commission and freight come to 50 per cent. This chair [produced] is made in America for $3 25c. A new chair recently invented can be imported from America and landed in Christchurch for 9s. It is called the Piedmont rocking-chair, and the material and polishing alone would cost 14s. here. This cane-seated chair [produced] runs from 2s. 6d. to 5s.

Mr. Sykes: I am paying £2 2s. a dozen for them.

Mr. Mitchell: We are also threatened with an invasion of Australian-made suite furniture. Cohen and Levy, the Melbourne manufacturers, have been through New Zealand recently, and their price for a full suite of six chairs, lady's chair, gent's chair, and couch is £7 10s.; and there is another imported suite made at £5. These suites are upholstered in beautiful velvet, which alone would cost here £7 10s.

465. *The Chairman.*] What can you produce a similar suite at?—£17 10s. is the price retail to the public in Christchurch.

466. What does it cost to land the Melbourne suite here?—The freight is 17s. 6d. a ton, and the duty 25 per cent.

467. Then, the cost of the article quoted at £7 10s., landed in New Zealand, would be £10 5s.?—Yes. These goods are upholstered in Genoa velvet, which cannot be purchased for less than £7 10s., and the whole suite could not be sold here under £17 10s.

468. Therefore you want a duty of 75 per cent.?—Yes. We also ask that, for Customs purposes, these goods should be dutiable according to their value here. To enable me to compete with the American prison-made chairs I should want a duty of 75 per cent.; and to compete with the free labour a duty of 50 per cent.

469. And on the Austrian, how much?—75 per cent.

470. *Mr. Tanner.*] Is America the only country from which the prison-made chairs are imported?

Mr. Sykes: I think they come from Germany also. They are sold generally through English houses, and cannot be identified as prison-made articles.

471. *Mr. Tanner.*] Can you offer any suggestion as to how prison-made goods could be distinguished from those made by free labour?—You can tell them by the invoiced prices.

472. The suggestion to place 75 per cent. duty on one class and 50 per cent. on another would not be effective unless the two things could be distinguished?—Under present circumstances I do not think we could make any of these goods unless we had a big protective duty. Mr. Mitchell is making a chair now at £1 10s. a dozen, and if a sixpenny duty per chair were put on it would take the place of a similar chair that is now imported.

473. *The Chairman.*] Mr. Mitchell might advance his price to £1 16s. a dozen at once?

Mr. Mitchell: No. I am perfectly satisfied that local competition would keep the price down.

474. *Mr. Tanner.*] Are there any other goods threatened by the introduction of these cheap prison-made articles?

Mr. Mitchell: Clothes-pegs, which are bought at 3s. 9d. a cask of five gross. We cannot push that trade here, on account of the imported article.

475. *Mr. Mackenzie.*] You want increased protection against the whole world?—Yes.

476. And on American chairs and Victorian furniture 75 per cent.?—Yes.

477. What does it cost to land furniture as a rule?

Mr. Mitchell: You might put the cost down at 75 per cent. to land chairs, including everything?—That is what is generally reckoned.

478. *Mr. Mackenzie.*] Therefore, with the duty of 75 per cent., it means an additional 50 per cent. on chairs costing £1 1s. a dozen in America: what chair can you make to take the place of such a chair?—We will make a chair from local timber, and sell it at £2 2s. a dozen.

479. That is precisely the cost of landing them now if you add 50 per cent. to the prime cost. What is the effect of this protection on the buyers?—The buyer will be in the same position under our proposal as he is at the present time. Our price will not be raised; but we shall receive encouragement to extend the industry.

480. At the present time a £1 1s. per dozen chair will cost to land from America £1 11s. 6d., including the duty—*i.e.*, 2s. 7½d. a chair—and you want for the same chair, wholesale or retail (it does not matter which), 3s. 6d.; therefore it means that if that 50 per cent. extra goes on, the person who buys your chair will have to pay a higher price: is not that the effect of the duty?—I am selling a line now at £2 2s. a dozen.

481. Presumably that will take the place of the imported chair on which you want the duty?—Yes.

482. So that it really means that a person who wishes to buy a chair will have to pay a higher price than he pays now for the American chair, on account of the duty?

483. *The Chairman.*] If you cannot make a chair under 3s. 6d., and you prevent another chair from being imported at a cheaper price, does it not mean that you make a buyer pay 3s. 6d. for your chair?—Yes; but he gets equal value, or better than he would in the imported article.

484. *Mr. Mackenzie.*] I quite understand the position, and I understand why you cannot compete against the Japanese work. It seems rather strange why you cannot compete against the Victorian furniture?—The reason is because the whole of the trade in Victoria is in the hands of Chinamen. In Melbourne alone there are 1,500 Chinamen engaged in making furniture.

485. Have you brought that fact under the notice of any colonial people at all?—No. We have drawn the attention of the Industrial Association to it.

486. What are the average wages made by men in your trade in constant work?—Turners, 8s. a day; chairmakers, 6s. to 8s. a day.

487. What do the Chinamen receive in Melbourne?—They received 4s. a day during the boom. There has been a reduction of 50 per cent. since.

488. Do Chinamen enter into the trade here?—There are none here at present that we know of.

489. Are the local furniture-men fully employed now?—No. About half-time.

Mr. Sykes: We are drifting into the London-slum system, under which the furniture is made outside, at home, and only despatched from the warehouses.

490. *Mr. Mackenzie.*] Do you not think that there is something in addition to more protection required to secure the trade here?

Mr. Mitchell: If the men could get into the workshops they would cry out after fair rates of wages.

491. *Mr. Mackenzie:* I am not an advocate of low wages; but, in a case like this, it seems to me that it would be better for men to take a little less, if they could get constant employment, than to hang out for the higher rates.

Mr. Sykes: If I were to advertise for twenty men, at 6s. a day, I could get them to-morrow.

492. *Mr. McGowan.*] Regarding the Melbourne goods, you do not think the prices you quoted represent the usual state of things, but really an abnormal condition caused by overproduction; and I presume you would not consider that the Chinese labour counts for cheapness when these goods are sold at a price that hardly pays for the velvet covering?—I do not see how they can continue to do it at the price.

493. Is the price charged for this suite (£7 10s.) a reasonable price for the material and the labour.

Mr. Sykes: It is not a rsasonable price for the material alone.

494. Then, it cannot possibly continue?—No.

495. *Mr. Stevens.*] Are you satisfied that the material in the £7 10s. suite is equal to what you would put into the best suites of furniture you charge £17 10s. for?—The Victorian traveller brought me samples of the material he is sending here. The real Genoa velvet would cost the upholsterer here 12s. 6d. a yard, and it takes 16 yards to cover the suite.

496. What is this Genoa made of?

Mr. Sykes: It looks showy on the cover, and the material is more than worth the money. Possibly the experiment will not be repeated, as the work is not substantial enough.

497. *Mr. Stevens.*] What is the necessity for any alteration, if the experiment will not be repeated?

Mr. Mitchell: The same experiment has been going on for years in Melbourne, and, if it lasts another four years, that would be long enough to close our manufactories.

498. *Mr. Hutchison.*] The Genoa-velvet covering is worth, then, £10 in each suite?—Yes.

499. Is it the case or not that covering material to the value of £10 is put into a suite that is sold for £7 10s.?

Mr. Sykes: That is so, if done in a proper manner, and they cannot buy it here under 12s. 6d. a yard, so I am informed by those who have seen the samples.

500. *Mr. Hutchison.*] Is it the real thing?—The goods have not arrived, but the travellers have left samples of covering.

501. It is quite clear that no business can be carried on on these terms. I think you will agree that, you can hardly expect to put prison-made goods on the same terms as goods made by our own people, and in a free colony, where wages are supposed to rule the same as our own. It is quite conceivable that a higher duty should be desired to be placed upon goods imported from foreign countries, but Australia is quite a different thing. Do you think that 6s. a day is a fair wage? You say you could get twenty men at that wage, Mr. Sykes?—It is not a fair wage, but it is more than they earn at piecework, at the rates now being paid.

502. Then, our piecework system is not correct?

Mr. Sykes: No; but what must the men do.

503. *The Chairman.*] You have suggested a duty of 6d. per chair on chairs of a certain price up to £1 1s. a dozen imported: do you not think that if a duty at per chair and up to a certain fixed price were levied such an arrangement would open the door to persons in England exporting furniture to this country invoiced to the limit fixed by the tariff in order to escape the duty?—I think they would not effect what they wanted if you got an expert to value and pass the chairs.

504. Do you wish to make any statement, Mr. Pyke?—I think it would assist our trade if cabinet brass-work, ironmongery, and silvered plate-glass were admitted free of duty.

505. Are you aware that there is a local industry in the silvering of plate-glass in the colony?—I was not aware of that; but that industry will also require plate-glass to come in free.

Mr. Lawrie: In working amongst the large houses here I find that the Japanese goods have taken the place of ordinary furniture largely, such as fancy tables, cabinets, and overmantels, and I am afraid that we shall be troubled with bedroom suites. From past experience, I am pretty sure that, if we had a Japanese-made suite in the market, it would be sold within a day; there is such a craze for these Japanese goods. I would ask for a stiff duty, in order to prevent their importation.

Mr. Edmonds: With regard to the imported Melbourne goods, I would suggest that the Customs should put a rule over them when they arrive.

Mr. Lawrie: I do not think that we have the power to do that, or that any community would stand it.

506. *Mr. Mackenzie.*] The Customs do that now, and they have the power to assess on what they think is a fair market-value.

Mr. Hutchison: I think the rule is to assess on the selling-price in the country from which the article is imported. If these goods are sold at £7 10s. a suite in Melbourne, you assess on that.

Mr. Edmonds: I also represent the wood-workers. We have to pay 25 per cent. duty on wood-working machinery, and I understand that lathes for iron-turning and planing-machines are allowed in duty-free. I ask that wood-working machinery, such as lathes, band-saws, planing-machines, circular saws, shaping-machines, twisting-machines, should be duty-free. I was also requested to bring forward the question of a person being allowed to bring a hundred pounds' worth of furniture into the colony free of duty.

Mr. Hutchison: He is not allowed anything like that amount.

Mr. Mackenzie: Yes, the first time of coming out, but not if he goes Home twice.

Mr. Edmonds: The class of people who generally take advantage of that clause are the people who can afford to pay duty on their furniture.

507. *Mr. Mackenzie.*] Supposing a man is an Indian officer retiring on pension, and he wishes to settle in one of the colonies, would you put a duty on his personal effects when he lands here the first time?

Mr. Edmonds: I did not understand the Act to mean personal effects, but "furniture" only.

Mr. Mackenzie: I mean furniture.

Mr. Lawrie: It would mean what Mr. Mackenzie said, and I would not be in favour of that.

Mr. Sykes: I would not allow him to bring furniture in even the first time.

508. *Mr. Mackenzie.*] Is it not possible that by not allowing a man to come here with his furniture he might say, "Well, I won't go there at all," and he might go to some Continental town, or to Tasmania, where such duties do not prevail? The very fact that before he could land in this colony he would have to pay £100 perhaps might prevent the colony from obtaining the very class of men we want—men with capital.

Mr. Sykes: I do not know where he would go to. I think, either on the Continent or in the other colonies, he would have to pay the duty.

509. *Mr. Mackenzie.*] Were you here when the tariff was passed in 1888?—Yes.

510. Your members were then satisfied with it, and they said that they saw in that tariff a means of enabling people to obtain employment, even at that time, but it does not seem to have proved so?—I do not think that anything was said about the furniture trade.

Mr. Mackenzie: Yes; I have the speeches. Mr. Reeves said that he saw in that tariff a measure of protection, which meant work for families, and hope for the people.

Mr. Lawrie: But circumstances have altered considerably. It might have been true at that time.

511. *The Chairman.*] Have you any objection to your names appearing in the papers?

Mr. Mitchell: I think it would be better to leave them out.

(**23.**) Henry Thomas Johnson (representing Johnson and Cousins) examined.

512. *The Chairman.*] What are you, Mr. Johnson?—A rope- and twine-maker. I have been in business in Christchurch three years, and employ two men and three boys. The men receive £2 2s. a week, and the boys 7s. to 15s. a week.

513. What is the value of your output annually?—A little under £1,000.

514. What do you wish to state?—The present duty on rope and twine is 20 per cent. *ad valorem*, and I ask that it should be altered to a rate of £20 per ton, or 2d. per pound. My reason for asking this is that there are firms in New Zealand, connected with Home people, who import large quantities of foreign goods. We know how the invoices get "cooked"; and I think that a rate per ton would be the means of getting at these people. Under the present system goods are imported under such a variety of prices that I think there is a lot of fraud going on. Under the duty I propose the Customs Department could not be defrauded.

515. What would be the difference as regards the weight of the tariff you propose and the weight of the existing tariff?—With the expensive twines it would not make much difference, but on the cheap twines it would double the present duty. Twines vary in value from 3¾d. per pound to 7½d.

516. That would mean a 25-per-cent. duty even upon the most expensive twines?—But in Victoria the duty is 3d. per pound.

517. What would be the effect of imposing these duties?—The output would increase very largely, extra machinery would be imported, and increased employment would be given. Our machinery, we consider, should be free of duty.

518. Would you be able to reduce the price of twine?—It would be as cheap as it is now, possibly cheaper. We have the same result in the case of the reaper-and-binder twine. When there was no duty upon binder-twine it was dearer than it is now under the duty. I do not wish to refer to that twine. I am only concerned with cordage and ordinary twine, and it is my opinion that this would all be made here if the rate of duty I suggest were imposed.

519. You think the local article would gain the entire market?—Yes.

520. *Mr. Mackenzie.*] The contention that all the binder-twine has been made here since the heavy duty was put on is not accurate, because the cheaper binder-twine is made in Victoria. Some is made here, sent to Victoria, and then reimported and sold cheaper than local rates.

521. *The Chairman.*] Do you wish your name published?—No.

(**24.**) James Madderen examined.

522. *The Chairman.*] What are you?—A twine- and flock-maker, and I occasionally employ labour.

523. Do you support the request of the previous witness?—Yes. The Victorian tariff is 2¼d. per pound on twine and 3d. on cordage. On white lines and other cordage n.o.e. it is £1 8s. a hundredweight.

524. Do you support the request for a duty of 2d. per pound here?—Yes. I recommend a tax of 2d. all round instead of an *ad valorem*, as at present the bulk of the twine imported is heavy twine, and, therefore, not liable to the duty. I also want the duty placed on garden- and fishing-lines. In Victoria machinery for twine-making is free; here it is charged 20 per cent. *ad valorem*, and I ask that it should be free. I also ask for a duty of 4s. per hundredweight on the imported flock. It is now free.

525. What is the value of flock?—From 18s. to £1 8s. per hundredweight on the imported kapoc, which competes with our flock and flax. I ask for a duty of 1½d. per pound.

526. *Mr. Mackenzie.*] What do you make flock from?—From tailors' cuttings, refuse from factories, and all cast-off clothing.

527. Are you not in as good a position to make flock as they are in Sydney?—There they have cheaper coals. We have lots of coal here, but it is not as cheap as it is in Sydney.

528. Then, you are not in favour of a duty on coal?—I do not know much about that.

529. Do you use much coal in making flock?—About ten pounds' worth a month.

530. How many tons of flock will 1 ton of coal make?—I could turn out 2 tons of flock monthly, and as a rule it would average about ten pounds' worth of coal a month to 2½ tons of flock.

531. What do you sell your ploughline at now?—6d. per pound.

532. What would you sell it at if you had 2d. a pound duty on it?—The same price as at present.

533. What does the imported ploughline cost of similar quality to your sixpenny and eightpenny material?—It is invoiced at Home at 4d., and sold here at 6¼d.

534. Then, they are underselling you with the Home article now?—Yes. The effect of the duty we propose would be to enable us to compete with the Home article.

535. *The Chairman.*] Do you wish your name published?—No.

(26.) Mr. John Moncrieff Douglass examined.

536. *The Chairman.*] What are you?—A hat-manufacturer. I have been forty years in the trade, and fifteen months in business in Christchurch.

537. Do you employ many hands?—Three.

538. What do you wish to bring forward?—I am a practical hatter of forty years' experience, having attained a practical knowledge of felt and silk hats in all branches of the trade, both in hand-made and machine-made goods. I am now manufacturing on my own account, which I have done for fifteen months; but we are prevented from extending our business through imported goods that are manufactured in England, Belgium, France, and Germany under more advantageous circumstances, for rent is about 200 per cent., coal 200 per cent., gas 200 per cent., and other materials in similar proportion higher here than in the countries quoted above. Besides, wages are about 100 per cent. higher for the class of goods we make. The aggregate advantages beyond ours amount to about 70 per cent., irrespective of the bonuses paid by Belgium, France, and Germany on goods exported to the British colonies. The present 20-per-cent. tariff is only a revenue rate, and inadequate to develop the hatting industries in any way. Our trade is handicapped by heavy revenue duties on materials used that are not likely to be made here to advantage for some time. These materials we desire to be placed on the free-list, and all machinery and tools for hatting purposes. The machinery has now a duty of 25 per cent. to pay. At the first Industrial Exhibition, held in the Drillshed, in 1880, I manufactured hats, and exhibited them on behalf of my then employer, Mr. C. P. Hulbert. A Commission then sat, Mr. Wakefield being the Government representative. We were promised that we should have our requirements adjusted, but up to the present nothing has been done whatever to encourage the fostering of our trade in any way. Yet a revenue has been derived since of over £100,000, whilst journeymen hatters were starved out of the colony, and had to be assisted by our union to find them employment elsewhere. This we consider downright despotism and unwise legislation. Therefore I beg to solicit your assistance for the purpose of getting the present duty of 20 per cent. *ad valorem* levied on all imported hats repealed, and a specific duty of £1 16s. per dozen imposed instead, and of £3 per dozen on hats known as belltopper hats, either in Paris silk, merino, cloth, felt, or similar materials. This would place this colony on the same terms as Victoria. During 1893 42,000 dozens of felt hats and caps were imported to the colony, and valued, according to shippers' invoices, at £45,712; the duty collected amounted to £9,084 13s. 7d. Should this duty of £1 16s. on felts, and £3 on belltoppers be imposed it would not in any way press heavily on the consumer, but, on the contrary, it would give an impetus to the local trade, making the hats cheaper, better, and more stylish than at present, giving a large amount of employment both directly and indirectly. The following articles we ask should be placed on the free-list. They are used in the hat-making industry: Felt hoods, as pullovers [now free]; felt hoods, proofed and dyed [now free]; felt hoods for soft goods, finished or unfinished; felt hoods, hard or soft, pressed or in cap, but untrimmed; hat-blocks, moulds, and frames, either in wood or metal; hatting machinery and tools; spale-boards for hat-boxes; hatters' silk plush and hatters' calicoes for silk hats and pullovers; French tabby tips and sides for silk hats; hat-lining materials—merinoes, satins (corded or plain), persians, sarsenets, and silks for hat- or cap-linings, and flexible labels; hat-trimmings—galloons for bands and binding in cotton, silk, or worsted, gold and silver braiding for hat-bands and caps, also buttons in gold or silver or other material; eyelets; hat-leathers or cap-leathers; hat-wires, stamped or unstamped, and patent leather, also fixings for same; shellac [free now]; resin [free now]; gum damar [a fine gum for ironing up the bodies]; methylated spirits of wine and ammonia [free now]; indiarubber; guttapercha; gum sandarac; gum thuss [a gum mixed with the shellac, and obtained through drying salterus. It is used for making the hats flexible]; dye-woods; mordants for dyeing; also all other materials used in the production of felt and silk hats, also caps.

539. Could not the flexible-label material be printed here?—Yes.

540. If these duties were imposed on belltoppers it would follow that they would cost 5s. more than at present?—Yes, the imported ones would. The Victorian tariff is the proper one, simply

because the difference in wages as between the English wages and the colonial wages is about 5s We have to make the best class of hat for £1 with silk of this description [produced], which is the best French silk. The English manufacturers send an inferior hat into the market, which costs only 10s. per dozen to make, and we have to pay £1 4s. a dozen here. The English workman gets paid 10d. for finishing what we get 2s. for here.

541. What is a Christy's belltopper worth wholesale?—Best hat, 10s. I sell them to retailers for that, but I make a better article for the money.

542. Could not the spale-boards for the hat-boxes be made in the colony, of colonial pine?—Certainly, if the local people would only go in for the necessary machinery.

543. I suppose that there would not be a sufficient demand for hat-boxes to justify the necessary expenditure on machinery?—It would pay for a large firm, but not if only used occasionally.

544. I presume that hatters' silk plush could be easily distinguished by the Customs from any other kind of plush?—Yes.

545. You ask that merinoes, satins, &c., for hat-linings should be admitted free: are they not the same kind of goods as those used for millinery purposes?—No. The sarsenets that we use are a different kind from drapers' sarsenets. Sometimes we are compelled to buy them from a draper, but they are not the kind we use. Ours could easily be distinguished; it is a better material altogether.

546. Supposing your better material came in duty-free, and the drapers' material had to pay 25 per cent., would it not be likely that your better material would take the place of the inferior material at the drapers?—I do not think so. To avoid that difficulty, in Victoria the hat-linings are free if sewn together—that is to say, that the sarsenet would be cut up into sizes to be used for the linings, and then it could not be used for dress purposes.

547. Could not the same system be applied to the merinoes?—Yes. It would be a tax upon us, because it would be a loss to have to cut the material to size.

548. These galloons are used both for bands and for the edges for binding, are they not?—Yes.

549. Are they of a kind that could also be used for mantle-making purposes?—No; they are only hatters' galloons.

Mr. Glasgow: They have been free for a long time.

550. *The Chairman.*] Could the hat- and cap-leathers be distinguished from other leathers?—They are already cut up to sizes. The hat-leather is not in the piece, and, if it were found to clash with other leather, we could very soon cut them.

551. Do I understand that you would not increase the price of your goods if these duties went on?—Not at all. I can tell you the effect the Victorian tariff has had. In 1891 they had a specific duty of £1 a dozen, and the revenue collected was £35,608. During the same period £80,000 was paid in wages locally. This shows that £1 a dozen is not a prohibitive tariff, and did not secure the whole of the local trade. The present Victorian tariff of £1 16s. a dozen was imposed in October, 1892, and since then there has been no depression in the hat industry, and the Christys have been endeavouring to get the tariff rearranged to suit themselves, and in their favour.

552. Have you any objection to your name appearing in print?—I think that it would be as well to leave it out.

(27.) J. B. Kissel examined.

553. *The Chairman.*] Do you appear in connection with the coach-building trade?—I appear on my own behalf, with regard to the agricultural line.

554. As a manufacturer?—I come as an employé of Booth, Macdonald, and Co.

555. I suppose that they make all classes of agricultural machinery?—Yes; and windmills and wool-presses. Evidence would have been given by the manufacturers in Christchurch on this occasion but for jealousy. One firm is strongly in favour of a duty being placed on certain articles, but they are afraid of having their names disclosed for fear the farmers would say they were hampering their industry, and they have sent the employés to give evidence on their behalf. I am not sent as an employé by Mr. Booth.

556. What do you wish to represent?—I wish to say that at present there are a large number of American-made machines imported to this colony that could be made here equally as well, and at the same price that they are being sold at now. I refer to cultivators, ploughs, and windmills.

557. Are there many American ploughs sold in the colony?—Yes; especially the cheap kind. The Massey-Harris Company are also importing double- and three-furrow ploughs.

558. What remedy do you propose for this state of things?—I suggest that a duty should be placed on the imported finished article. To have any practical effect it would require to be not less than 30 per cent.

559. Do you mean upon those three items alone?—Yes.

559A. You do not want it on reapers-and-binders?—No; we do not touch them. I only refer to lines that could be made, and are being made, here. In 1882, when the Atkinson Tariff Commission sat, evidence was given by the manufacturers only, and they stated their case from their point of view, to the extent that the industry was hampered by a duty being placed on carriage fittings. I would here like to say that I was previously engaged in the coach-building trade. Carriage fittings all came in without any exemptions, and the immediate result was the reduction of wages, and those who did not care to take the reduced wages had to leave. In a few days there were a dozen English-made carriages landed here. A brougham was placed in the Exhibition of 1882 with an English name upon it. A local firm also exhibited one of their locally-made carriages. Two boys were placed in charge of it, and one said to the other, "Yours is not so good as ours; ours is an English-made carriage, and yours is only made here." I only cite these cases to point out how the tariff has been taken advantage of by manufacturers, to the exclusion of the employé.

560. *Mr. Glasgow.*] Is Mr. Kissel under the impression that carriage fittings are now admitted free, because I can state that they are not?—Those I refer to were.

561. Are they free now?—I have not been able to get a copy of the tariff.

562. Do you know what Timpkins's springs and axles are?—Yes.

The Chairman: The exemptions are as follows: Springs, mountings, trimmings, rubber cloth, iron fittings, under-carriages, &c.

Witness: There are two or three terms there which are rather wide. I allude to the mountings and iron fittings. The under-carriage is what the carriage is mounted on.

Mr. Glasgow: We have positively decided that an under-carriage is not a fitting.

Witness: I would like to point out that imported ironwork for carriages can be seen in the ironmongers' shops any day, and it could be made in the colony.

563. *The Chairman.*] Does not that pay duty?—Mountings, for instance, are exempt, and they can all be made here.

564. Can you specify any article that is now exempt that you think should pay duty?—Are malleable iron castings free?

Mr. Glasgow: For agricultural implements.

Witness: Carriage-steps, lamp-irons, dash-irons, seat-rails, could all be made here, and they are now free, as "mountings." Axles could be manufactured in the colony, but not at the price that they can be imported at.

565. *The Chairman.*] Do you recommend that they should be made dutiable?—Not unless the Commission can see its way to allow them to come in in the rough and to be turned here.

566. *Mr. Stevens.*] How much duty do you think that these should bear?—15 per cent.

567. *The Chairman.*] Is there any other matter?—Bicycles. One firm in Christchurch at this time last year employed from thirty to forty hands, and at the present time they employ only seventeen hands. Last month in Christchurch fifty bicycles were landed by a so-called manufacturing firm who have a certain number of apprentices learning the trade. These apprentices cannot possibly learn their trade by putting ready-made machines together. Their time will be wasted, and they will be thrown upon the world, and compelled to accept any wages for the purpose of earning a living.

568. What do you suggest as a remedy?—That a heavy duty should be placed on the imported finished bicycles and on the finished parts. A number of the bicycle employés waited upon me as president of the Canterbury Liberal Association, and asked me to put their case before you, and that is the reason I make this representation.

569. What is your idea of a substantial rate of duty?—30 per cent.

The Chairman: The cycle-makers recommend that the following should be free: Tyres, rims, forks, spokes, welded tubing, and drop forgings.

Witness: Drop forgings should be free, I think, if in the rough only.

Mr. Glasgow: If machined at all they are dutiable.

Witness: It has been represented to me that the portions that can be made here are spokes, bottom brackets, brakes, castings, and the tubing should come in lengths. The machines that were landed here last month are all finished, ready to put together, and afterwards Adams, Curtis, and Co.'s name is placed upon them as makers.

570. *The Chairman.*] A cycle-manufacturer says that there has been an evasion of duty in respect to machines being sent out without their tyres, and he recommends a duty of 40 per cent. to stop that: do you think that such a duty would be a remedy for the trouble?—It was represented to me that the framing comes direct from England, and that the tyres and rims are sent through Melbourne houses to make it appear that the machines were imported from Melbourne.

571. How would you get over the fraud?—In the same manner as evasions of the beer-tax are prevented—by the Customs officers keeping account of the number of machines each firm imports, and by taking stock every now and then.

572. What is the object of insisting that the tubing should be cut into lengths?—To give more employment to the men here.

573. Is there any other matter?—I have also been requested to ask that sheep-shears should be admitted free. The New Zealand retail price for sheep-shears is 4s. 6d.; the Australian price is 2s. 6d.

574. That matter has already been brought before the Commission. Have you any objection to your name or evidence being published?—I do not wish my name published.

THURSDAY, 21ST MARCH, 1895.

(**28.**) E. G. WRIGHT examined.

575. *The Chairman.*] I understand that you attend as chairman of the Gas Company, Mr. Wright?—Yes.

576. Will you kindly state your representations?—The directors of the company instructed the secretary to write to the Commission upon a subject that they felt to be somewhat of an injustice to their industry. I had better read the letter:—

"The Christchurch Gas Coal and Coke Company (Limited),
"Christchurch, New Zealand, 1st March, 1895.

"SIR,—

"As you are inviting evidence or communications with respect to any anomalies that may exist in the present Customs tariff, I have been directed to respectfully draw attention to the difference in the duties imposed on the machinery, plant, and appliances respectively required for the supply of gas and electric lighting. I beg to point out that both systems stand on identically the same commercial basis in supplying light and motive-power, and are in active competition with each other.

"I am therefore instructed to respectfully submit that the plant, appliances, and fittings used by each should be placed on an equal footing.

"I attach a schedule of the duties imposed on the principal items required by each industry, which shows that while one is on the free-list the other is subject to an impost of 20 per cent. on nearly every line.

"Trusting that our complaint will receive from your Commission fair consideration, and that you will be able to make such recommendation as will place both industries on terms of equality,

"I am, &c.,

"The Chairman, Tariff Commission, Wellington." "R. C. Bishop, Secretary.

Plant.

Electric lighting—		Gas lighting—	
Electrical machinery and appliances	Free	Gas-works plant, as manufactured metal	20 per cent.
		Gas-meters	20 "
		Gas-retorts	20 "
		Gas-regulators and governors	20 "

Distributing Plant.

Electric lighting—		Gas lighting—	
Copper rod and wire	Free	Cast-iron pipes	5 per cent.
		Wrought-iron pipes	5 "

Fittings.

Electric lighting—		Gas lighting—	
Electric brackets, electroliers, and fittings for electric lighting	Free	Gas-fittings, as manufactured metal or hardware	20 per cent.
Carbons for electric lights	"	Gas-burners	20 "
Electric globes	"	Incandescent gas-lamps	20 "

Hoists.

Electric lighting—		Gas lighting—	
Electrical hoists	Free	Crab winches used in conjunction with gas-engines	20 per cent.

The schedule shows that, whilst electric-light appliances are on the free-list, all the appliances required in gas-consumption are subject to a duty of 20 per cent. The distributing plant—viz., mains—are subject to a duty of 5 per cent. only; but the fittings which the consumers have to pay for are subject to a duty of 20 per cent. I have only to urge the terms of this letter upon this Commission for consideration. I would also point out that, whilst the consumers of gas are subject to this duty of 20 per cent. upon their requirements, the consumers of the electric light, which is practically a luxury, contribute nothing to the revenue. That is a material point as far as this Commission is concerned, and that the gas-lighting of to-day, as carried out with the improved appliances, is not inferior to the electric light at the same price is amply borne out by all the recent evidence on the subject. With the permission of the Commission, I will read a few lines of the comments made by Mr. Alderman Bullock at a meeting of the Birmingham City Council. It is taken from the *Gas World* of the 8th December, 1894: "The Welsbach will check increased consumption. In conclusion, Mr. Alderman Bullock said that the increase of 6 per cent. in the consumption appeared to be large, but, inasmuch as the annual average increase since . . . had been 4 per cent., and during the last two years there had been a reduction of 2 per cent. instead of an aggregate increase of 8 per cent., the 6 per cent. should be compared with the 14 per cent., the equivalent of the former average increase of consumption during three years. Such an increase, however, was hopeless now. One reason was the introduction of the improved incandescent burners, which not only yielded a vastly higher illuminating power, but used hardly half the gas required for an ordinary flat-flamed burner. He ventured to say that this light was infinitely superior to the electric light, while its cost was hardly one-third, probably not one-fourth, of that of electricity. He trusted that the directors of all large institutions, and especially of those fostered by the Council, would think twice before satisfying the craze for electric light when they had beforehand a light equally good, if not superior, supplied from their own works at one-fourth the cost. . . . The report was adopted." I have here a sample of the improved incandescent burner referred to [produced]. There are forty or fifty in use in Christchurch.

577. Are you not under a little misapprehension with regard to the consumers not paying duty upon electric-light fittings. The tariff says, "Electric brackets and other appliances for distributing electric light, 20 per cent."?—The tariff mentions no duty upon electric-light fittings, though the decision of the Commissioner has imposed a duty upon some items.

Mr. Glasgow: That is the position, but it is not generally known.

578. *The Chairman.*] Is there any difference as between gas-making appliances and electric-light-producing appliances? Can the retorts and other requisites for gas-making be made in the colony?—Yes; and the best retorts that we can get in the colony are those made in Auckland.

579. Can the iron pipes and mains be made in the colony?—Yes. I do not say that they are made to any material extent, because it is a question of labour. Notwithstanding the duty of 5 per cent., we can import them far cheaper than we can get them made here. All the extra appliances about the gasworks are made locally. I refer to additions to the plant.

580. Are not retorts made of iron?—The more modern ones are made of fire-clay. Those are the ones I am speaking of—the Auckland ones. The gasometers can be made here.

581. *Mr. Hutchison.*] Is the burner that you have exhibited proposed to be placed in the houses for domestic use?—Yes.

582. And it gives four times the light of an ordinary burner?—Yes; but, owing to the excessive price asked by the patentees, we have not been able to supply them to consumers at less than £2 10s. each. We have been twelve months negotiating with the agents for the patent to get the price down, and we have completed an arrangement within the last two or three weeks that will enable us to supply them at half the former price.

583. Will that arrangement extend to the whole colony?—There is an agency in Auckland for the sale of the same thing, and there is nothing to prevent Dunedin obtaining the same privilege on similar terms to those obtained by the Christchurch Gas Company.

584. *Mr. Stevens.*] What has been the average dividend paid by your gas company during the last five years?—10 per cent.

585. Supposing a reduction were made in the duty on gas requisites, would that reduction be for the benefit of the shareholders or the general public?—It would be for the benefit of the general public. They are the people who have to pay these charges. I am not asking for any reduction in the duty on gas appliances, but merely to be placed on a competing level with electric-light appliances.

586. Have you any objection to your name being published?—It is immaterial to me.

(29.) John Armstrong examined.

587. *The Chairman.*] What are you?—A hosiery-manufacturer, in business in Christchurch. I have been five years in business here.

588. Do you employ much labour?—I did employ four or five girls at one time, but I have none now.

589. Has there been a falling-off in business?—Yes, on account of the manner in which we are handicapped in buying our worsted. There is only one worsted mill in all the Australian Colonies—Ross and Glendining's. I have to pay 20 per cent. duty on the imported worsted, and I cannot compete against that firm. If I buy from Ross and Glendining I have to pay from 3s. 10d. to 4s. a pound for worsted, whereas wool can be bought for 8d. and 8½d. a pound in Dunedin. I cannot compete against Ross and Glendining; they do the whole of the trade of New Zealand, and stop all local hosiery-manufacture.

590. What is the price that you have to pay for imported worsted, duty-paid?—The price at Home would be 2s. 4d. per pound, and 3s. the price delivered in Christchurch.

591. You say that you cannot compete with the manufacturer in Dunedin?—It is not convenient for the small manufacturer without capital to import worsted, and we are compelled to buy from Ross and Glendining; and we ask that this worsted should be duty-free.

The Chairman: I might say that the Kaiapoi Woollen Company are going in for the making of worsted, so that there will very soon be competition.

592. *Mr. Hutchison.*] Is the price charged by Ross and Glendining for worsted an unreasonable price?—Yes.

593. *Mr. McGowan.*] I think that your real grievance is that you are not able to obtain your worsted at as cheap a rate as you would like owing to the manufacture carried on by Ross and Glendining and the present duty on the imported article?—Yes.

594. And you think that if that duty were removed you would be able to employ a number of girls?—Yes.

595. *Mr. Mackenzie.*] Do you use Alloa yarn?—We have the machines to knit it, but there is no business done in that yarn in Christchurch. We have not knit one spindle of the Alloa in six months.

596. Do you use fingering?—The only kind that we particularly use is of Ross and Glendining's make, the two-ply and the very fine three-ply, not the coarse Alloa.

597. What three-ply do you refer to?—To a sample that the company sent me out.

598. What is it charged to you at?—The quotation was 2s. 4d. per pound.

599. What did it cost you to land it?—4s.

600. How long ago was that?—A week ago.

Mr. Mackenzie: They quoted it to me the other day at £1 1s. a spindle. There are 8lb. in a spindle.

Witness: That might have been for the very worst hosiery yarn.

Mr. Mackenzie: It was for the very finest three-ply fingering yarn, and for the five-ply they charged a little higher.

[The witness produced samples of the yarns and his invoices in proof of his evidence.]

(30.) Robert Hayward examined.

601. *The Chairman.*] What are you?—A member of the firm of Hayward Brothers, pickle-, sauce-, and vinegar-manufacturers. At present we employ thirty hands—boys and girls, one man, and one woman. The girls earn from 10s. to £1 a week, the boys from 10s. to £1 5s. a week, the forewoman £1 10s. a week. The foreman receives £150 a year. The value of our output last year was about £5,000. Last year we sent out 9,000 dozens of pickles, besides a large quantity by the gallon; 9,000 dozens of tomato and Worcester sauces; and 4,000 dozen bottled vinegar, 1,000 dozen of chutnee, 4 tons of candied peel, and about 300 casks of vinegar in bulk.

602. I suppose that all the vegetables you use are grown here?—Last year we purchased 150,000 head of cauliflower, 20 tons of pickling onions, 15 tons of cucumbers, 3 tons of French beans, 4 tons of red cabbage, 2,000 gallons of walnuts, 6 tons of tomatoes, all of which were grown here.

603. I presume that you wish to make some representations as to the manner in which the tariff affects your industry?—Yes. In 1893 there were 15,800 dozen of pickles imported into the colony, and 11,000 dozen pints of sauces (principally Worcester sauce). We are satisfied with the tariff in regard to the first-class articles, like the manufactures of Crosse and Blackwell, Lazenby, and Morton, but we want protection against the inferior articles in English pickles that are sent here on consignment. They are sold just under our price, and no matter how low we reduce our price these imported inferior kinds still interfere with our sale. We could double our output in a short time, and we are prepared to do the whole trade of the colony, provided we had protection

against the classes of pickles I allude to. We ask for an increased duty of 1s. a dozen at least on these articles.

604. You do not want a duty on the higher-class pickles?—No, as it is not our wish to make the duty prohibitive.

605. Do you suggest an increased duty on all imported pickles, or do you except the above-named firms?—I do not know how the matter is to be worked, but we have mentioned those firms to show that we are not biassed. I ask for an additional duty of 1s. a dozen, making the duty 3s. a dozen.

606. What do you ask regarding sauces?—The imported imperial quarter-pint bottle is sold here as a half-pint bottle, but it comes under our Customs tariff as a quarter-pint, and the imported quarter-pints undersell our half-pints.

607. In other words, the six-ounce bottle is sold as a ten-ounce bottle?—Yes; and with our ordinary half-pint bottle we cannot compete against them. We ask for a duty of so much per dozen on all sauces, instead of a duty at per reputed measurement as at present. I suggest a duty of 2s. 6d. a dozen on half-pints and under. We do not complain of the duty on pints, but only of the duty on these reputed half-pints.

608. *Mr. Tanner.*] When you say half-pints and under, do you mean reputed pints or standard pints?—A standard half-pint, or anything less.

609. *The Chairman.*] And you mean by a pint anything less than an imperial pint?—Yes. There are also a large quantity of half-gallon glass jars of pickles imported into New Zealand, and under the present tariff we cannot compete against them, because we cannot obtain the half-gallon glass jars in the colony. We have to import them from Melbourne, and pay a duty of 15 per cent. [Samples produced.]

610. Do not the glass-works in Auckland make them?—No. Under the present tariff glass jars 2¼in. in diameter are admitted free for manufacturing purposes, but a jar of that diameter will not suit us, because the girls cannot get their hands into a jar under 2¾in. in diameter. We have ordered some jars from Melbourne, but have delayed importing them pending the alteration of the tariff, because we want jars of 2¾in. with our names branded on. Therefore, we ask that jars should be free up to a diameter of 3in.

611. *Mr. Mackenzie.*] Is there any objection in regard to what size you make them?

Mr. Glasgow: A receptacle not exceeding 2¼in. in diameter is looked upon as a bottle, and all bottles are free by the tariff, but when it goes beyond that it is considered to be a jar, and jars are not free.

The Chairman: I do not know why a jar should not be free if it is imported for pickles, the same as bottles are.

Witness: The Auckland works do not make the jars we require, and they will not attempt to make them.

Mr. Tanner: A few weeks ago an exhibition was held in Christchurch of glassware, claiming to be from the Auckland glassworks, in which were a number of glass jars.

Witness: My brother visited the works in December, and they told him that they could not make them. The following articles used largely in our preparations we ask should be free: Mustard and spices.

612. *The Chairman.*] Would it suit you if you got a rebate at the Customs upon your making a declaration that these articles were required for manufacturing purposes?—Yes. We would also include liquorice and turmeric in the same list.

613. What kind of vinegar do you manufacture?—A kind of acetic-acid vinegar, flavoured with malt vinegar. We manufacture an article which is quite equal to Champion's.

614. Is it a brown vinegar?—Yes. On this vegetable acetic acid we have to pay 1½d. per pound duty.

615. Is it imported in a liquid form?—Yes; and the duty is paid by weight. It loses weight on the voyage, but we have to pay duty on the invoice, so that we really pay for more than we actually get.

616. Do you complain of that?—Yes; and we would like the matter remedied. We ask if it could be arranged by means of a rebate on the quantity actually imported for the manufacture of pickles.

617. *Mr. Mackenzie.*] Your industry seems to be a pretty large one; and it appears that you are now successfully competing against the Home people?—We are; but I showed that we are not doing much more than one-third of the pickle trade of the colony.

618. That is pretty good, is it not?—I do not think so. We have been five years in business, and we ought certainly to be doing more than one-third of the trade.

619. Is it not the case that numbers of people will not depart from the known brands of pickles very readily until they discover the quality of yours?—As far as the quality of ours is concerned, we have testimonials from all parts of the colony.

620. I am not disputing that at all; but I merely wish to show you that, having one-third of the trade now, you have got that probably on account of the preference for your pickles over others, and that, although you might impose these high duties, people will still purchase Crosse and Blackwell's pickles. Is that not so?—We are aware that all the first-class articles we have will not stop the people who want Crosse and Blackwell's from buying them. They will have them, irrespective of price. The consignments of cheap pickles that are absolutely inferior to ours stop us from going ahead.

621. It is evident that the cheap brands of English pickles of good quality coming in must mean a benefit to the consumer regarding price?—No. The consumer does not reap the benefit, because in a retail shop an English article will fetch as much as the colonial article at any time, irrespective of quality.

622. That does not apply to honey, for instance?—No; but it does if you take the majority of manufactured goods.

623. You are asking a great number of concessions and heavy impositions, and it appears to me that you are wanting a double advantage: on the one hand you are asking that the duty on all the things you use be removed, and that a duty be placed on all imported articles that compete with your manufactures: is that not the case?—You ask us to state what we want, and we do so. We do not quite expect that we will get it all, but there is nothing like asking for what one wants.

624. But sometimes you make your claims so very absurd that the whole thing may be rejected. If you got these concessions without the increased duty, would not that meet your case?—No, it would not.

625. You prefer the duty being put on at per bottle, instead of on the bulk, in regard to sauces?—Yes; bottles vary so much in size.

626. *Mr. McGowan.*] I presume that the finest qualities of pickles would be made from malt vinegar?—No.

627. Is the acetic-acid vinegar better than the malt vinegar for pickles?—It is superior to the ordinary malt vinegar for pickling purposes, if flavoured with the malt vinegar.

628. You say distinctly that the acetic-acid vinegar if flavoured with malt vinegar is better for putting up pickles than the pure malt vinegar?—Yes, decidedly.

629. *Mr. Stevens.*] Will the onions that you use keep all the year round, or from one season to another?—We preserve them.

630. Will they keep in bulk if properly strung?—No.

631. How long will they keep?—Certain qualities will keep twelve months, but you would not keep more than 50 per cent. of them.

632. Could you keep 75 per cent., say, for six months?—Yes.

633. *Mr. Hutchison.*] Are the cheap inferior pickles you refer to unwholesome, or are they adulterated at all?—They are made with the very cheapest English material. For instance, the onions are all very large-sized onions—something between what would be called a house onion and a pickling onion.

634. But they would not be unwholesome?—No, and there is nothing objectionable in them that I know of.

635. Do you not see that you are asking us to tax the poor people, who buy the cheap pickles, and to allow the rich people to get off more easily?—The pickles I refer to are bought by the retailers wholesale under the price of our pickles, but they are not retailed under the price of ours.

636. And you mean that the retailers get a much larger profit on the cheap English pickles?—Yes; the English article, no matter how inferior it is, will still fetch quite as much as the colonial article. That has been our experience. In any case, we do not want to increase our prices, and if we obtained the concessions we asked for we should not increase our prices at all.

637. Would it not follow that some manufacturer wishing to push his trade would still sell these cheaper goods at a cheaper rate than yours?—That is not done.

638. You say that there are smaller bottles than yours coming in, and that they handicap you accordingly?—In the matter of sauces, but not in pickles.

639. Do these small bottles come from the high-class makers?—No.

640. Then, these are still the inferior goods?—Yes. Fictitious names are placed upon the bottles by London manufacturing companies.

641. And not the name of the maker of the goods?—No.

642. Supposing that we ascertained that the Auckland glassware manufactory is ready to make these bottles you refer to, will you then require any change in the duty?—No.

643. *The Chairman.*] Do you recollect that the present duty of 2s. a dozen was put on when the tariff was revised in 1888?—I was not in business then.

644. Well, that is the fact. Do you remember what the price was at which the McLean Company's pickles were sold six years ago?—No; I was in England at that time.

645. You would not be able to contradict it if you were told that the price then was 5s. 6d. a dozen, and that after the duty was put on the price rose to 7s.?—I could not recollect what occurred.

646. It is further stated that since you took over the works the price has gone up to 8s: is that your price now?—Yes. When we took over the New Zealand Preserving Company the price was just the same as now. Our wholesale price to the merchants in 100 case lots is 7s. per dozen, delivered in Auckland, Wellington, or Christchurch, less 2½ per cent. for cash.

647. It was stated that when the price was 5s. 6d. for the local pickles Morton's cost 7s. 3d. a dozen, with a retail price for the local article of 6d. to 7d., and that the price now retail of your pickles is 9d. cash and 10d. booked: is that correct?—Our pickles are retailed here at 8½d.

648. You also ask for a duty on the commonest class of pickles. We have had it in evidence that the common pickles have been entirely excluded from the market by yours?—That is not correct.

649. It was represented to us by a witness in a large way of business that there was practically no trade in the common imported pickles in consequence of the local article having taken their place; but I understand you to say that this importation is your great grievance?—Yes; that is our great grievance; and I could take you to places where there are hundreds of cases of these pickles lying in store.

650. Then, this witness and you do not agree?—No.

651. *Mr. Tanner.*] Are you quite sure that you have exhausted the list of articles on which you ask exemption of duty?—Yes.

652. Have you ever petitioned the House in favour of a remission of duty on corks and bungs?—We got that concession, and they are admitted free.

653. Since when?—Three years ago.

654. With regard to the size of the bottles in which sauces are imported, there appears to be a great deal of confusion. Would it be advisable to insist on all bottles containing sauce being a

certain standard size—the size to be plainly marked on the bottle—and to allow no other to be imported?—You could not very well stipulate that.

655. We can stipulate anything we like?—Well, it would be detrimental to trade, because all over the world different-sized bottles are in use.

656. If we insisted upon a half-pint bottle of sauce containing a half-pint, would not it meet your difficulty?—No.

657. *The Chairman.*] Do you object to your name being published?—No.

(**31.**) Horatio Nelson examined.

658. *The Chairman.*] You atttend on behalf of Messrs. Nelson, Moate, and Co.?—Yes.

659. Do you wish this letter put into evidence?—Yes. I do not wish my name to appear in the papers.

"Sir,— "Christchurch, 18th February, 1895.

"Our Mr. Nelson would be glad to have a short interview with your Commissioners for the purpose of drawing their attention to the fact that there is now a very large quantity of tea imported from Ceylon and India, ready packed in ½lb. and 1lb. lead packets and tins, and 2lb., 5lb., and 10lb. tins and boxes, packed by coolie labour; and also a large quantity, ready packed, in the same sizes, from England, where labour is very much cheaper than here, and that, in consequence of such importation, the wage-earners of this colony are deprived of a very considerable amount of work.

"Mr. Nelson would suggest that any tea imported ready packed, as above-described, in packages not exceeding 10lb. net weight, should be charged an extra duty of 2d. per pound, as in Queensland.

"We and others who pack tea here are handicapped by the before-mentioned as follows: (1) 25 per cent. duty on bags, or a price to the local makers, which amounts to the same thing; (2) 1s. 6d. per hundredweight on sheet lead for making lead packets; (3) high rate of colonial wages as compared with coolie labour or English labour.

"If this free importation is allowed to continue unchecked it will simply mean loss of employment to some hundreds of men and boys throughout the colony, as things are cut so fine now that we shall all have to take advantage of cheap coolie labour and cheap bags and tins. Tin, we believe, is admitted free for manufacturing purposes, but still, if these tins are admitted free, there are so many less to be made in the colony.

"If your time is fully taken up, please make a note of this application when making your recommendations to the Colonial Treasurer. "We are, &c.,

"For Nelson, Moate, and Co.,

"James A. Frost.

"The Secretary to the Commissioners for Revision of Tariff, Christchurch."

660. Do you wish to add anything?—I wish to bring before the Commission the question of the charging of duty on the lead packets and tins imported from Colombo, India, and England, containing tea. The packets and boxes or tins I refer to are packed by coolie labour in India, &c., while the tea only pays the same duty as the tea imported in bulk. The tins and boxes we make up here are packed by English labour; we have to pay 25 per cent. duty on paper bags, and 1s. 6d. per hundredweight on the lead used in making up the lead packages. In addition we have to pay for the printing of all the labels we require. The small packages of tea from India, Ceylon, and England only pay 6d. per pound duty, while we pay the same amount for the original tea in bulk. We are thus handicapped to the extent of the duty on the paper bags and lead and the difference in the price of labour. We ask for a protective duty of 2d. per pound on tea imported packed in lead packets or tins.

661. How many people do you give employment to in this packing and tinning?—There are about seventy or eighty hands in our whole business.

662. I suppose it would be safe to say that there are thirty hands employed in packing alone?—Yes. The wages paid run from 9s. to £1 15s. a week. It also affects the printers and tinsmiths. We pay £1,000 a year for 5lb. and 10lb. tins alone, and £1,200 a year for paper bags.

663. Do you get the paper bags from Mataura?—No; they are made in Christchurch, and the paper must be imported, because it could not be made in the colony. I might also state that in Queensland there is a special duty on any tea packed out of the colony. The majority of the tea packed in packets in India and Ceylon is an inferior article. It is pushed to the trade because it is imported direct from the East Indies. I simply wish to add that if this protection is not given to the packers of tea we shall import three times the quantity in small packages that we do now, and consequently discharge the greater number of our packers and wrappers, and we shall then pay very little to bag-makers and tinsmiths.

664. *Mr. Stevens.*] If this extra duty were imposed, would it not increase the price of tea to the consumer?—No.

665. At present it pays 6d. per pound duty, and under your altered tariff it would pay 8d., which would fall on the consumer, would it not?—People would cease importing it in tins and small packages.

666. Do you think the duty you ask for would be practically prohibitive?—I think so. A halfpenny per pound is a loss to us of £2,000 a year.

667. What is the difference in the cost of tea to-day as compared with its cost five years ago?—That is rather a difficult question to answer. There is an advance of from 35 to 50 per cent. during the last two months. Two months ago I suppose that tea was about 35 or 40 per cent. less han it was five years ago.

668. Supposing that this rise had not taken place, the imposition of an extra duty of 2d. per pound would not make tea so dear then as it would have made it five years ago?—Oh no.

669. *Mr. McGowan.*] You mentioned that the tea imported in large packages is superior to the tea imported in small packages?—Of course you get inferior and common tea in large packages as well as in the small packages. Take a tea valued at 2s.—the tea bought in the imported lead packages is inferior to the tea packed in the colony sold at the same price. The imported tea in packets is advertised as pure and original tea packed on the stations (by coolies); but tea is better packed in large quantities.

670. I suppose that argument would hold good with reference to the tea packed in New Zealand?—Yes.

671. And it would hold good with reference to your own packing?—Certainly. A packet of ours in a lead packet will last so many months, whereas a twelve-pound chest would last six months longer probably.

672. Then, the public really would do better if they ceased purchasing the small packets of tea and bought large quantities?—Yes.

673. *Mr. Mackenzie.*] Then, a buyer of a half-chest of tea—say, a 40lb. packet—would get better value than a buyer of a 5lb. packet?—Yes.

674. Perhaps that was the reason that when teas were imported direct from China and sold in half-chests, some six or eight years ago, a buyer procured a very much better tea than you get now for the same money?—I do not think you did in those days. I have been here fifteen years, and I worked many years in England, and my opinion is that you get better value in New Zealand in tea than you do in any colony I have been in. I refer not only to our own teas, but to others: the competition is so keen.

Mr. Mackenzie: My experience was that then one could always get half a chest of good China tea; but now you cannot.

Witness: Perhaps you have a liking for China tea, and very little is imported. We used to send £18,000 a year to China, but we do not send £2,000 now.

Mr. Mackenzie: I have heard quite a number of persons say that they cannot get so good a tea now as formerly.

Witness: They do not send to Nelson, Moate, probably.

675. *Mr. Mackenzie.*] Yes; I have used your teas frequently. As a matter of fact, you use nothing in the shape of raw materials produced in the colony?—Nothing beyond the labour.

676. So that in order to give the people employment here the consumer is to pay 2d. higher price?—I do not see that.

677. What is the 2d. per pound for?—It is to protect the trade and every one concerned.

678. Is it not to enable you to employ New Zealand labour?—We shall have to pay more for the New Zealand labour.

679. If you do have to pay more for the New Zealand labour you will get it back from the consumer, because you pay less for your tea, and, presumably, the consumer will not get it for less?—Yes. We have to pay more for labour.

680. I am now asking you the immediate effect of the 2d. per pound duty on the consumer?—He will get an inferior article if what he buys is not packed in the colony, as the 2s. packet of imported tea is inferior to the 2s. packet of tea packed in the colony.

Mr. Mackenzie: That is not borne out by my experience. But, if your tea at 2s. is superior to imported at 2s., why ask for 2d. protection? It seems to me that the putting-on of this extra 2d. means that the person who buys the tea has to pay the extra 2d. in order to employ labour here.

Witness: If we do not pay labour here the public pay it, as it is charged on cost of imported packets. But tea will be imported in large quantities just the same.

Mr. Mackenzie: But if it is imported in bulk at 6d. per pound, and in packets of less than 10lb. at 8d. per pound in order to protect your pockets, presumably the buyer of your packet teas pays the increased cost for colonial labour, seeing that the importer of the imported small packets and tins has to pay 2d. more duty on it than you.

Witness: But tea will not be imported with the extra 2d. on in packets and tins.

681. *Mr. Mackenzie.*] That is what you ask. You will therefore have to get this extra 2d. to enable you to pack it here, will you not?—How do you mean?

682. You say that if you do not get this extra duty of 2d. you will require to import your teas ready packed?—Large quantities will have to be imported.

683. At 6d. per pound?—Yes; but why should you have an import duty on paper bags and lead, and let the lead packets come in free?

684. That all cheapens the tea to the user, does it not?—But how about the paper-bag people?

Mr. Mackenzie: They are quite content with the duty they have now.

Witness: Why should we pay duty, on the other hand, on paper bags?

Mr. Mackenzie: They say that they can supply you with paper-bags at a lower price than you can import them for.

Witness: No, they cannot. Weekes and Co. only came down to the English price on our giving them a contract.

685. *Mr. Mackenzie.*] Is not the packing of tea in tins an expensive way of packing, and dearer to the extent of the duty?—Yes.

686. So that a person who buys a half-chest of tea gets better value than he does if he buys it in small quantities?—Yes.

687. You say that the Indian and Ceylon packets packed there contain an inferior article That also applies to teas blended in New Zealand, does it not?—No; teas packed in New Zealand are pence per pound better value.

688. How do you bring out your profit?—The profit is made on tea-blending, if a quantity is turned out at a certain standard.

Mr. Hutchison: I understand that Mr. Nelson's suggestion is not intended to raise the price of tea, but to prevent a certain class of tea coming in here. He states that the suggested duty will prohibit it.

Witness: The tea comes in just the same, but in bulk.

Mr. Mackenzie: Mr. Nelson says that he wants a duty of 2d. on tea imported in small packages, making 8d. duty, and in some way the extra 2d. is required in order to employ people here instead of in Ceylon, India, &c.

Witness: If you do not protect, what do you want protection for?

Mr. Mackenzie: If you are to have protection—which I do not believe in—it should only be applied to protect industries that are natural to the colony, and tea is not a natural industry here; not one single New Zealand raw product is used. You were not quite right regarding the duty in Queensland: 4d. is charged on a number of packages, and on one class of packages the 8d. is charged, and 6d. per pound in packets for retail trade.

689. *Mr. Stevens.*] What is the heaviest weight that can be described as a small package?—Any weight up to 12lb.

690. Is 12½lb. a quarter-chest?—In New Zealand it is a box really. In England a quarter-chest is 20lb.; in New Zealand it is called a box

(32.) G. S. Jakins re-examined.

691. *The Chairman.*] On what question do you appear, Mr. Jakins?—The question of parchment butter-paper which has to pay duty on importation. It is used entirely for wrapping butter for exportation to England. The present duty is 15 per cent., and I ask that this paper should be free, as it is used in the dairy industry, and on the ground that it is not likely to be made here. We could get a rebate, but we cannot prove that the paper is all used for the industry mentioned.

(33.) Captain Alfred William Owles examined.

692. *The Chairman.*] What are you?—A mariner, but retired. I am now an oilskin importer.

693. What do you wish to state?—I ask for a reduction in the duty on imported oil-clothing, the present duty being 25 per cent.

694. You do not make these goods?—No. It has been proved beyond doubt that they cannot be made successfully in the colony.

Mr. Hutchison: We have evidence absolutely to the contrary.

Witness: I ask that the duty should be reduced to 15 or 20 per cent., on the ground that the articles are worn exclusively by the working-classes, and that they have not in the past years been able to get a garment locally made that gave them satisfaction.

695. *The Chairman.*] But there have always been oilskins imported?—Not to any extent until lately, when the American goods came in. Until the Americans came in very few English goods were imported.

696. Do you say that until the American article was imported people could not get a satisfactory article?—I do.

697. When was it imported?—Several years ago.

698. What is the price of your oilskin coat?—They range from 15s. 6d. to £1 15s., lined, retail.

699. What is the price of the American line?—15s. 6d. to 17s. 6d., retail.

700. What are the locally-made ones?—6s. to 12s. I am importing the English article to compete against the American.

701. What is the price of the English article?—From 6s. 6d. to £1 7s. 6d., wholesale.

702. Taking article for article, which is the dearer?—The colonial article.

703. And you say that as good an article cannot be got locally for the money as can be imported?—Yes.

704. What is the difference in the quality?—There is a good 20 per cent. difference between the English article and the colonial; and the English is better than the American.

705. Would not the effect of reducing the duty be to reduce the price to the consumer?—Undoubtedly. I speak as the sole importer of these goods, which are called the "English Yarmouth oil-clothing."

706. *Mr. Hutchison.*] Then, you have a monopoly?—Yes.

707. You say that if the duty were reduced you would reduce the price of the articles?—Yes.

708. And that would lead to a very much larger consumption?—Yes. I have increased my sales from five hundred to two thousand in two years. It costs me 40 per cent. to land the stuff into the warehouse. The English coat costs me 9s. 6d.; to land, 13s. 4d.; and I sell it to the trade at 14s. 9d.

709. *The Chairman.*] Do you mean to say that a mere reduction of 5 per cent. in the duty, which would be equal to 6d., would have the effect of largely increasing the sales?—Yes. I bound all the drapers down to sell the goods at a certain price; and a man in Auckland could not sell a coat cheaper than any one else. The company keeps over two thousand hands employed in manufacturing this oil-clothing; and they are the contractors to the navy.

710. *Mr. Hutchison.*] Supposing a man buys one of your coats in a shop in Christchurch for 14s. 9d., what would he pay for an American one of the same kind?—The same sum.

711. And for a colonial-made coat?—I have not seen any of them, but there is nothing to compare with the English.

712. But you do not know anything about the colonial article?—No.

Mr. Hutchison: I agree with the Chairman that a reduction of 5 per cent. will not make much difference in the price.

Witness: I think it will.

713. *Mr. Mackenzie.*] You say that a coat costing in England 9s. is sold here for 14s. 9d., and that a difference of 6d. would increase your output. Why do not your people charge 1s. 3d. instead of charging 2s. 2d., which is what it costs to land a coat?—There is 7½ per cent. to reckon for travelling-expenses.

714. Do you mean to tell me that it costs you 7½ per cent. to sell your goods?—It costs me £1 5s. a day for steamer and all other expenses.

715. You must sell very little?—There is only one season in the year in which I can sell.

716. It costs you £7 10s. for every £100 you sell. Therefore, you do not sell more than twenty a day?—Some days I do not sell that. I could sell more if they cost less money.

717. You also say that your oilskins are 20 per cent. superior to the colonial make?—Yes, quite that.

718. If they are 20 per cent. superior to the colonial make you should now command the whole market?—We think so, and we have increased our sales largely.

719. Without any assistance at all in the shape of a reduction in the duty you have quadrupled your trade?—Yes.

720. Showing that there is no necessity for the reduction?—Not at all. I am robbing some one in putting the extra duty on to the coats.

721. You are not robbing any one: the money obtained from the duty is going towards the revenue of the country; it is keeping your schools going, and so on?—I suppose it is.

722. It seems to me that according to your own showing your trade has progressed splendidly; and, secondly, you have 20 per cent. start of the colonial make in quality?—But then ours is 20 per cent. better value. We cannot compete in the price with the colonial.

723. Surely a sailor knows when he gets a good coat on his back, and if your coat is known to be a better coat than the colonial, notwithstanding the difference in price, people will have the better quality. Instead of a 25-per-cent. duty you want 15 per cent.?—Yes.

724. I do not think that you have made out your case?—Well, if the money does not come out of me, it comes out of the farmers in the field, who have to pay the money.

725. Then, you make this application from philanthropical motives?—Yes. If it were not for the 25-per-cent. duty I could run the goods through, but, then, there are the people who pay for the goods who have to be considered.

725A. *The Chairman.*] Have you any objection to your name being published?—No.

(34.) G. H. Whitcombe examined.

726. *The Chairman.*] You are the managing director of the company of Whitcombe and Tombs (Limited)?—Yes, of Wellington, Christchurch, and Dunedin.

727. Will you kindly state the matter you appear on?—I wrote a letter to the Commission on the 2nd of March, which I will read:—

"Sir,— "Christchurch, 2nd March, 1895.

"We desire to bring under the notice of your Commission certain irregularities in the present Customs tariff which affect very seriously the trade we represent—viz., that of publishers and manufacturing stationers. As you are probably aware, we give employment to a large number of people both here and in Wellington, but are of opinion that we could employ a still larger number if greater facilities were afforded in the direction of reducing the duty on certain classes of materials used by us in manufacturing, or increasing the duty on other goods, so as to foster and help to build up industries which are either not attempted here or which are languishing by reason of the difficulty of competing with the cheaper labour and longer hours of the older countries.

"For this purpose we beg to submit you herewith a list of goods which, in our opinion, should be admitted duty-free for manufacturing purposes, all of which are largely used by us and other manufacturing stationers, and a list of goods on which there is hardly enough duty levied.

"We might mention that we believe envelope-making could be successfully carried on in the colony if encouragement were given by way of an increase of duty. This would give employment to a large number of women.

"As an instance of what can be done in this direction, we might mention the fact that a large industry has been built up by us in the manufacture of diaries, which affords employment to a number of our hands during seven or eight months of each year.

"It would afford us pleasure to give you any further information in our power, either personally or in writing, respecting these matters.

"We have, &c.,

"Whitcombe and Tombs (Limited).

"Geo. H. Whitcombe, Managing Director.

"The Chairman, Tariff Commission, Christchurch.

"*List of Goods which, in our Opinion, should be admitted Free for Manufacturing Purposes.*

"Cartridge-papers, all sizes, from demy; copying-papers, all sizes, from medium; ivorite and gelatine cards, all sizes, from demy; oil lowering for reducing printing-ink; label-varnish; interleaving blotting-paper, in sizes, from demy; cloth-lined boards, from sizes known as demy; cloth-lined papers, from size known as royal; elastic for pocket-book making; enamel paper, in sizes, from demy; glue and size; machinery for envelope-making; metallic papers, sizes from demy; mineral and vegetable oil for machinery; hand-made cheque-papers; masticated para (pure rubber); drawing-books for making sketch-blocks and books, in sizes, from demy; indiarubber for stamp-making (not stated in tariff); leather and straw boards for making exercise-books and all kinds of blank books, including account-books.

"*Goods on which Duty should be increased.*

"Envelopes, plain, 15 to 30 per cent. *ad valorem;* envelopes, printed or embossed, 15 to 35 per cent.; writing-papers cut to sizes smaller than large post, 15 to 25 per cent.; manuscript books, all kinds, 25 to 35 per cent.; account-books, all kinds, 25 to 35 per cent.; labels for presentation-books, 15 to 30 per cent.; copying letter-books, from 15 to 25 per cent.; diaries, 25 to 30 per cent.; printed school copy-books, 25 to 30 per cent.; writing-paper, printed or embossed, from 15 to 30 per cent.; bank-notes, drafts, &c., issued by local banks, 30 per cent. on production cost. (that means the invoiced cost); books, ruled or plain, 25 to 35 per cent.; cardboard boxes, 20 to 30 per cent.; copy-books, blank and headlined, 25 to 35 per cent.; handbills, programmes, circulars, playbills, posters, 20 to 35 per cent.; labels, tags, &c., printed, 25 to 35 per cent.; lithographic cards and lithographed stationery, 25 to 35 per cent.; pocket-books, metallic, &c., 25 to 35 per cent.; sketch-books and blocks, 25 to 35 per cent.; writing-ink, all kinds, including copying, 20 to 30 per cent.; school drawing-books, printed or plain, 25 to 30 per cent.; pictorial calendars."

728. *The Chairman.*] Tissue-paper is used for other purposes than for making letter-books; so it follows that all tissue-paper should be free or dutiable, since it cannot be distinguished?—In some cases articles are admitted free on a house making a declaration that they are essential to manufacture; and could not this be done in the case of tissue-paper?

729. Similarly with regard to elastic for pocket-book making: there are no means of distinguishing between that and the elastic used for clothing purposes?—The bookbinder would not import it for the latter purpose.

730. What is "masticated para"?—The pure rubber in its native state.

731. You ask that the duty should be increased on writing-papers cut to sizes smaller than large post: why?—At present writing-paper is imported already cut and ruled, whereas it could be cut and ruled here. We want the duty to apply to either plain or ruled paper.

732. All these items on which you ask that the duty should be increased could be manufactured here?—Yes.

733. *Mr. Tanner.*] Do you wish liquid gum included in the dutiable list?—Yes.

734. *The Chairman.*] Will the effect of increasing the duties be to increase the cost of the articles to the public?—I do not think so.

735. Do you contend that they can be made as cheaply in the colony as they can be imported?—Yes.

736. Can you produce them and sell them to the consumer here as cheaply as they can be imported?—I believe, cheaper.

737. Will you kindly explain that answer?—We wish to make these goods in the colony which we at the present time import, and by making them here, we contend that we can make them at a lower price than they can be imported for.

738. If you can do that, why not do it now?—We want the assistance of the duty.

739. How would it assist you?—By keeping others out.

740. You ask for an increase of 5 per cent. on diaries? Is this increase necessary, seeing that you have such a wide field for your diaries now?—We simply contend that we shall be able to give increased employment by keeping the imported diary out.

741. *Mr. Mackenzie.*] I think that, instead of correcting the anomalies in the tariff, you are increasing them by the number of rates you are asking for. You ask for rates ranging from 20 to 35 per cent.; and will not the tariff be rendered more confusing and difficult to work?—It is very confusing now, and we are proposing to reduce the number of rates.

742. No; you will be increasing the irregularities, and that I presume you do not want to do?—No.

743. You think that the imposition of these rates will not increase the price of the goods to the consumer?—No.

744. It seems to me that you increase the price of the writing-paper. You do not make it here?—No.

745. With regard to drawing-books and school-books, is it not a fact that these books are being made locally to compete with the imported article?—The locally-made article is competing with the imported, but under difficulties; and we ask for the increased duty to enable us to compete the better. The increased duty will not affect the price one iota.

746. Do you use any colonial leather in connection with bookbinding?—Some of our leathers are obtained in the colony. Some leathers that we require are not made here, and have to be imported.

747. Do you find those that you do get here suitable?—Yes, quite.

748. Could you give me an idea of the value of the colonial leather you use annually?—Not more than £50 between the two houses. We import to the value of from £250 to £300.

749. Do you not think that we could make all the leather here?—The local manufacturers might be able to do so if they had better machinery.

750. Do you make ink here?—Yes.

751. *Mr. Hutchison.*] Do you not think that instead of having all these differential duties we might have one uniform duty—say, 40 per cent.?—Yes, but that amount would make the duty prohibitive, and we did not have that in view at the time we drew up the list.

752. Do you do anything in stereos and matrices?—Yes.

753. Do you want the importation of these prohibited?—I do not think so. The matter is immaterial to us as a firm.

754. What is your opinion about it, however?—I imagine that it would be rather a retrograde step to take as bearing upon the country newspapers.

755. You do not agree with the typographical people upon that point?—No.

756. What is your opinion about printed supplements?—I think that to put a duty upon them would also be a retrograde step.

757. You think they should come in without duty?—Yes, if there were a heavy duty against them I think they would not be used at all.

758. One witness has explained that he does not want any additional duty in addition to the present duty of 25 per cent. on copy-books: what do you want done with regard to bank-notes?—There is no reason why bank-notes should not be produced in the colony now.

759. Could you print them?—Yes.

760. And make such a nice-looking note as those imported?—We are now engraving plates for the New Zealand Government postal notes, and I am quite sure that they will be as nicely done as any bank-note in England.

761. Has any attempt been made to make cartridge-paper in the colony?—No. The local mills cannot even make the white printing-paper.

762. Oh yes, they can?—Well, Coulls and Culling told me they had attempted to make the white printing-paper, but they could not make it pay.

763. *The Chairman.*] Could you give the Commission, roughly, the annual value of your output of manufactured stationery?—About £25,000, from the two establishments, at Christchurch and Wellington.

764. What proportion of that is paid in wages?—About £12,000.

765. *Mr. Tanner.*] What is your opinion about printing a work like Wise's directory in the Home-country?—I do not think it ought to be done.

767. Have you any recommendation to make to the Commission on the subject?—It is another tradesman's business, and I should prefer not to say anything about it at all.

768. *The Chairman.*] Have you any objection to your name being published as having appeared here to-day?—No.

"Sir,— "Christchurch, 2nd April, 1895.

"As requested, we now beg to submit you a scheme covering the stationery trade, which will bring the whole of the business under three headings—namely, stationery for educational and manufacturing purposes, free; stationery for the purpose of encouraging and fostering local industry, duty 40 per cent.; and lastly, stationery for revenue purposes, duty 20 per cent. The free-list is largely the same as in the present tariff, the principal exceptions being varnishes for lithographic and other printing purposes, some machinery in connection with the printing trade which has hitherto been made dutiable, unfinished dating-stamps, mounts and handles for same, tinfoil for bag-making, grease-proof or vegetable parchment for exporting butter, cloth-lined paper for making envelopes, cartridge-papers over a certain sum for making drawing-books, copying-papers for making letter-books, and metallic paper for making pocket-books.

"As regards manufactured stationery, at the examination of the managing director before the Commissioners, the duty asked for in most instances was 35 per cent., but after reviewing the whole question, and thinking the matter out carefully, we are inclined to say that 40 per cent. on manufactured stationery would not be too much, more particularly as we feel that the greater the duty imposed on an article, the more likely it is to cheapen the cost of the article to the consumer, from the fact that a less number will be imported, and consequently a larger number made, which, of necessity, must reduce the prime cost of production. You will notice that under this head we have brought in all the bookbinding leathers at present made in the colony, and also all kinds of wrapping-paper, which can now be made quite as well here as in Europe. Visiting and printers' cards are included under the heading of manufactured stationery because we are of opinion that they should be cut and packed in the colony. Most of the items subject to the 40-per-cent. duty are at present in the tariff at 25 per cent. *ad valorem*. We found some difficulty in placing playing-cards, which, as you are aware, are subject to a duty of 6d. per pack, and we are doubtful if they are not better classed as at present, our idea in including them in the 40.per-cent. list being a desire to reduce the number of headings to three.

"As regards the stationery for revenue purposes with a duty of 20 per cent., the items under this heading are in the main at present subject to a duty of 15 per cent. *ad valorem*, with the exception of such articles as albums, writing-cases, and other fancy goods of the kind, which are at present liable to a duty of 20 per cent.

"In conclusion, we might say that we have given a considerable amount of thought to the whole question, and trust that our labour will be of some value to the Commission.

"We are, &c.,

"Whitcombe and Tombs (Limited),

"The Chairman, Tariff Commission. "Geo. H. Whitcombe, Managing Director.

"*Stationery for Educational and Manufacturing Purposes—Free.*

"Empty bottles, all kinds; card- and paste-board, white, tinted or enamelled plain, sizes not less than royal; celluloid, white, tinted, or enamelled plain, sizes not less than royal; copper-plates, prepared for printing purposes; forrills for bookbinders' use; gum arabic; magpie boards, pressings, and leather boards for bookbinders' use; lowering oil for reducing printing-ink; aniline dyes; blanketing for printing-machines, rubber and flannel; bookbinders' laying-presses; booklets, as printed books; printed books; bronze powders for printing purposes; American cloth for bookbinders; bookbinders' cloth; cardboard, cloth-lined, sizes not less than royal; dextrine; embossing-presses and -machines; embossing-colours; embossing-paper for machines on rolls; capsules for gum- and ink-bottles, metal and paper; glue and size, for bookbinders' use; masticated para (rubber), for bookbinders; headbands, for bookbinders; printing-inks, all kinds, both dry and liquid; bookbinders' leathers—viz., rough calf, rough goat, morocco, russian, smooth calf, and persian; lithographers' varnishes, label varnish, and bookbinders' varnish; lithographic stones; type, brass rule, and printers' furniture, including chases and cases; materials for printing and bookbinding; gold-leaf for bookbinders; millboard and strawboard; printers' and bookbinders' finishing tools;

carpenters' pencils; pictorial illustrations and printed sheets, as supplements for newspapers; stereotypes, blocks, and electrotypes; materials for stereotypers, electrotypers, and rubber-stamp makers, to include machinery used for same; printers' roller composition; red tape; self-inking and -dating stamps, mounts and handles; wire staples for bookbinders, made or on reels; bookbinders' thread; type-holders; typewriters and parts of same; leatherette and vellum, for bookbinders' use; book-locks, ruling-pens, and brass for making same; school apparatus, including blackboards, school-chalk, chemical cabinets, chemicals for educational purposes, cabinets for object-lessons, compasses for blackboards, compasses half-sets, compass-boxes for school-use (not to exceed £1 4s. per dozen), wall-maps, charts and diagrams, school-globes, kindergarten toys and apparatus, slates, slate-pencils, slate-pencil holders, rules (flat, 12in., marked in inches, not to exceed 6d. each), arithmetical frames, ink-wells, object-lesson cards, Sunday-school cards and tickets, slate-erasers, drawing-models, reading-sheets, T squares (not exceeding £1 4s. per doz.), set squares (not exceeding 6d. each); artists' materials, to include gold paint, oil -and water-colours, colour-boxes, oiled paper, academy boards, artists' canvas, stumps, prepared charcoal, artists' oils and mediums, paint-brushes, palette-knives, colour-saucers; machinery for printers and bookbinders, and parts of same, to include card-cutting, label-cutting, punching and eyeleting, envelope-making and -guming, paging and numbering, paper-cutting, printing all kinds, gas-engines, ruling, engraving, lithographic-ink-grinding mills, varnishing, bronzing, hot and cold rolling, printing -and lithographic-presses, bookbinders' sewing-machines and frames; paper for manufacturing purposes, to include printing and writing, all kinds, in sizes larger than demy, in original packages as it leaves the mill; paper, plain, corrugated, or embossed, gold, silver, or fancy, for box-makers; tinfoil, for bag-making; butter-paper—namely, grease-proof or vegetable parchment; cloth-lined paper, for making envelopes; cartridge-papers, costing not less than 3d. per pound; copying-papers, white or buff, in sizes not less than demy; cheque-papers, machine or hand-made; surface, enamel, and pamphlet paper, end papers; map and plate papers; marble papers; metallic papers, size not less than demy; stereotypers' paper; trade catalogues and price-lists, in book form, not intended for circulation; interleaving blotting for account-books and diaries; marbling-colours for bookbinders.

"*Stationery for the Purpose of encouraging and fostering Local Industry—Duty, 40 per Cent.*

"Almanacs, calenders, and pictorial prints; covers for exercise-books, plain or printed; easels, for schools; envelopes, all kinds, plain, printed, or embossed; exercise-books, all kinds; labels for presentation-books; paper-wrappings, to include cap, glazed-casing, small-hand, browns, and greys; school-attendance registers; tags and fasteners for labelling frozen meat, printed; account-books, all kinds, ruled, plain, or printed; paper-bags, all kinds; bank-notes, unissued; playing-cards, all kinds; billheads and invoices; blotting-pads; book-covers, printed or blocked; blank books, plain or ruled; boxes, card or paper, empty; cards, lithographed or printed; catalogues, price-lists, and show-cards; bankers' cheques; curling and sanitary papers; diaries; drawing-books, plain and printed; liquid gum; writing-ink powder; printed labels; bookbinders' leather, basils, roans, and paste grains; ship- and other log-books; manifold writers; masonic certificates; metallic pocket-books; wallets, and purses; writing-paper, plain or ruled, cut or packed, or when imported in sizes less than demy; portfolios and music-cases; sketch-books and blocks, writing-blocks; brass and rubber stamps, when imported made ready for use; indorsing-ink for brass and rubber stamps; stencil-ink -and brands; writing-ink, all kinds; engraved or printed copy-books; copying letter-books; steel dies engraved for embossing; brass- and copper-plates engraved for embossing; fashion-plates, printed or lithographed; hat- and coat-labels, printed or embossed; hand-bills, programmes, circulars, posters; menu, programme, memorial, wedding, and name cards; visiting and other printers' cards, white, tinted, or enamelled, cut to sizes less than royal; seed-pockets and sample-bags; scrap-books, scoring-books, and date-clocks.

"*Stationery for Revenue Purposes—Duty, 20 per Cent.*

"Albums and photo-screens; brackets, fancy and plain wood; easels for artists' use; glove- and handkerchief-boxes; ink-bottles and -stands; tissue-paper, coloured, plain, or crinkled; lead pencils, pens, penholders, and pencil-cases; photographs; staple-presses, hand; despatch-boxes, dressing-cases, writing-desks and -cases; work-boxes, wood or leather; albums, postage-stamp; birthday-books and -cards; blotting-paper; damping-brushes and damping-wells; cards, Christmas and New Year; cartridge-paper, costing under 3d. per pound; drawing-paper, cartridge-paper, mounted and unmounted; cigarette-paper; drawing instruments and compasses, in boxes costing over £1 4s. per dozen; date-cases, wood, cardboard, or tin; drawing-pens, paper-fasteners; pictures; drying and oiled papers; elastic bands; parcel-post boxes, wood or cardboard; pen-trays; paper-weights, pen-cleaners, pen-racks, pen-makers; papyrographs; writing-parchment or writing-vellum; quill pens; pounce and pounce-boxes; legal seals and wafers; office embossing-presses, copying-presses; reading-glasses; sponge-bowls and sponges; tracing-paper and tracing-cloth; sealing-wax; programme-tassels; trypographs, manugraphs, mimeographs, cyclostyle—inks, composition, and materials for same; stationery-cases; letter-weights and balances; tags, cloth and manila, unprinted; stationery n.o.e."

(35.) Deputation from the Christchurch Operative Bootmakers' Union (H. Milligan and J. A. Kemp).

769. *The Chairman.*] What representations do you wish to make?

Mr. Milligan: We attend as a deputation from the Christchurch Operative Bootmakers' Union, numbering 250 members; and we wish to give evidence on the question of labour-saving machinery used in connection with the boot trade. We understand the Commission has been approached with a view to all machinery coming in free of duty, and we are here to object to that proposal, and to ask that a duty of 100 per cent. should be placed on all labour-saving machinery used in boot-

making. We contend that the use of machinery robs the workman of a certain amount of labour, while the public receive no commensurate benefit.

770. *The Chairman.*] Do you mean that the goods are not sold any the cheaper when made by machinery?—We say that they are not so cheap in the long run as the hand-made goods, because they do not last so long. We produce samples of boots made by hand labour and by machinery. There is a heeling-machine at work in a factory in Christchurch, which means that 22½ per cent. is deducted on a pair of boots. However, the boots are not sold any the cheaper, but the manufacturer makes an extra profit. Our contention is that if machinery is to be imported into New Zealand in order to rob the public it should pay a heavy tax to the revenue.

771. Is there not very keen competition in your trade?

Mr. Kemp: There is, but only two firms in New Zealand have got a quantity of labour-saving machinery. It is the introduction of this special labour-saving machinery into England that is causing the great trouble in the bootmaking trade there; and if it is introduced here it will cause the same trouble, because a manufacturer with one machine can turn out all the work required for Christchurch, thus leaving no chance for other manufacturers. I state this from information received from a manufacturer. One machine worked by one man and two boys will turn fifty men into the streets by doing the work of those fifty men.

772. I understand that you want a duty of 100 per cent. on all labour-saving machinery used in the boot-manufacturing trade?—Yes.

Mr. Milligan: We would exempt the Blake soleing-machine.

773. *Mr. Tanner.*] Will you please state to the Commission what amount of loss is sustained by the workmen owing to the introduction of machines. You speak of a deduction of 22½ per cent. for heeling?—Through the use of the slugging-machine there is a loss to the workman of 6d. per pair; through the use of the heeling-machine there is a loss on an average of 1s. 6d. the dozen pairs; and through the use of the breasting-machine there is a loss of 3d. per dozen.

774. Has not the introduction of labour-saving machines into the boot trade during the last fifteen or sixteen years resulted in the addition of 2d. to the price of all machine-sewn work?—We do not contend that it has added anything.

775. I refer to the actual amount paid for benching and riveting work?—If you go into that aspect of the question we contend that if the machine-sewn boot were not made sewn it would be made by hand-labour, pegged, or otherwise.

776. *Mr. Hutchison.*] Do you not think that you would arrive nearer to your purpose by placing a tax on all machines now in use in the colony?—We have thought of that, and have considered that it was rather outside our province.

(36.) Deputation from the Tailoresses' Union, of Christchurch (Mrs. Simpson, Miss Lock, Miss Macpherson, and Mr. J. McLaren).

777. *The Chairman.*] Are you the secretary to the Tailoresses' Union, Mr. McLaren?—Yes.

778. And these ladies are members of the committee?—Yes.

779. Do you represent the Christchurch Tailoresses' Union or the New Zealand Union?—We represent the Christchurch branch of the union, numbering 350 members.

780. We presume that you have some representations to make regarding the tariff?—Yes. In 1892 we find that apparel to the value of £350,000 was imported into the colony ready made, and we are of opinion that if a higher duty were placed on this imported material increased employment would be given to the members of the tailoring trade in the colony through this clothing being made up here. I have also to bring under the notice of the Commission the question of suits being made in England to the order of persons in the colony. Circulars are sent out by London firms giving instructions for self-measurement, and people are invited to send their orders Home on the ground that the suits can be made cheaper there than in the colony. All these things affect the trade here. We have had a good deal of slack time in the trade during the past year; one factory alone has not had, on an average, six months' full work.

781. Have you considered what amount of duty is required in order to meet your purpose?—The union consider it advisable to leave that part of the question to the members of the House, and we do not name any particular amount.

Miss Macpherson: I wish to indorse the statement made by Mr. McLaren. It is on account of the imported clothing being so much cheaper that we do not get the work.

782. *The Chairman.*] Do you mean that, article for article, the imported article is a better article at the same money than the article made up in the colony, or do you mean that an article which costs less money is sold?—I mean that an article of less price is sold here.

783. You do not mean to say that an article of a certain price imported is a better article than a similar article made here?—No.

784. Do you know anything of the composition of these cheap imported articles?—We do not see them, but we know that they are composed of very common material.

785. *Mr. Mackenzie.*] I see that under the Victorian tariff woollen ready-made clothing is charged 50 per cent., and clothing made up in factories, not containing wool, is charged 35 per cent.: is that your idea for a basis of a tariff?

Mr. McLaren: I think that would do.

Mr. Mackenzie.] I think you said that the imported articles were taking the place of the colonial?

Mrs. Simpson: Yes.

786. *Mr. Mackenzie.*] Are they largely made up by Russian Jews, and people of that kind, in London?—Yes.

787. Is the imported material as well put together as the colonial stuff?—We do not see it.

Mr. McLaren: I do not think it is so well put together. A friend of mine told me that he could get overcoats from England very cheap, but of a very inferior make.

788. *Mr. Mackenzie.*] What was the difference in the price?—The imported overcoat was bought for 3s., and the cost of one manufactured in the colony would be from 5s. to 7s. 6d.

789. And the latter is made of colonial tweed?—Yes, all wool.

790. And would wear out three or four of those imported from Home?—Yes, most decidedly.

791. A recommendation has been made that short-length tweeds ought to be more heavily taxed?—If a heavier rate were imposed, would it not have a tendency to cause the work to be made at Home under this self-measurement scheme?

Miss Lock: These short lengths very seldom come into the factories; they come principally to the tailors' shops.

792. *Mr. McGowan.*] I understand that there are 350 members in your union, and the proposal is to tax these low-priced goods so heavily that they would not be sold, in order that people should be obliged to buy the better-quality tweeds, and have their clothing made here. They would have to pay a little more for this better material, would they not?—The idea is to bring the price of the imported article up to the level of the price of the colonial-made goods.

793. Of course, that will make a certain class of people pay more for their clothing. Are you wearing clothing made in the colony?

Miss Macpherson: Yes.

794. Are there many other members of your union who wear colonial-made clothing?—I think that they are mostly all unionists, and believe in colonial-made goods.

795. *Mr. Stevens.*] Is it correct that an all-wool tweed will wear better than a union tweed of wool and cotton?

Mrs. Simpson: In a good material we would give the preference to all wool; but, of course, wool and cotton wear well together.

796. But, if well put together, the latter is a stronger fabric than an all-wool one, is it not?—Yes; but it is not the fabric used in the imported material.

797. But the imported article is chiefly made from the clippings sent Home by the New Zealand manufacturers, which is made up into shoddy, and then returned here?—No; it is not as good as that.

798. Do you not consider that the practice of sending away the clippings from our factories tends very largely to increase the quantity of inferior clothing imported into the colony?—I think so, if they are used for that purpose.

799. *Mr. Mackenzie.*] Is it not a fact that most of the clippings from the factories go to the paper-mills?—Some of them do; but I could not speak as to all of them.

800. *The Chairman.*] Do you care if your names appear in the papers or not?

Mr. McLaren: We would rather not have them published.

(37.) Deputation representing the Onion-growing Industry (William Boag, H. J. Derrett, C. Hill, Thomas Hayton, Alfred Mitchell, J. Sands, C. H. Walters, and P. Christensen).

801. *The Chairman.*] We understand that you are all farmers or engaged in agriculture?—Yes.

802. Will you kindly state the matter you desire to represent?

Mr. Derrett: We appear with reference to the onion-growing industry, and I have here a statement on the matter, which I will read:—

"We are a deputation of farmers or small holders residing at Papanui and Marshlands, near Christchurch, and wait upon you to-day with reference to the duty placed upon onions imported from Australia and California into this colony. As you are no doubt aware the present duty upon imported onions is 20 per cent., and comes under the heading of 'provisions,' in the Customs tariff at present in force. We may say that we represent the chief districts for onion-growing in New Zealand, and our onions are ready for use and exportation to Dunedin, Wellington, Napier, Auckland, and the west coast of this Island about the months of January and February in each year. The onions grown in Australia and elsewhere are generally ready about November and December, or a month or two earlier than ours; and, of course, are imported in large quantities to the above towns during that time. This has the effect of flooding our markets, and consequently when the local onions are ready the imported ones have taken their place, which causes us to be content with having to take low prices. At the present time in Dunedin Australian onions are quoted at £3 9s. 6d. per ton; this price includes freight, wharfage, and cartage and delivery in store. Taking our price to grow the onions at £2 10s. per ton, which is very low, we cannot land them in Dunedin store under £3 15s. 6d. per ton, which you will see is higher than the imported ones. The above price is made up as follows: Onions, per ton, £2 10s.; gunny bags for one ton, 7s. 6d.; railage per ton from country stations to Lyttelton, 6s. 6d.; steamer freight to Dunedin, 9s.; wharfage and cartage at Dunedin, 2s. 6d.: total, £3 15s. 6d. It is cheaper to send by steamer than by rail to Dunedin. Then merchant's commission is to be added. The climate in Australia being drier than here the imported onions can be grown cheaper, as they do not require so much labour and attention, but in our case, the climate here being damper, it costs us more to produce them. An acre of onions to grow here costs about £12 to £15, and an average crop yields about 6 to 7 tons per acre, and unless we receive about £3 per ton for our onions you can see that there is very little profit for us. We may also state that most of the onion producers which we represent are men of ripe years, and are solely dependent upon the price obtained for their onions for their living, and are not able to compete in the labour-market and earn an ordinary day's wage. It is roughly estimated that from 120 to 150 acres of onions were grown in and around Christchurch this season. Seeing that the duty placed on imported onions into Queensland, New South Wales, Victoria, and Tasmania is £1 per ton, and those to South Australia £2 per ton, we respectfully advocate that the duty on onions imported into this colony should be materially increased—say, to £1 per ton. This we think would

be reasonable, and give us a better chance of competing in the local markets, as well as paying us a fair price for our product. We should also be glad, gentlemen, if it is in your power to arrange that the railage rates on onions should be made the same as potatoes, as only the same care is required in handling onions as is used with regard to potatoes."

803. *The Chairman.*] You suggest that the duty should be at per ton, instead of an *ad valorem* one?—Yes.

804. The railway freight on onions, under class D, is 6s. 6d., and on potatoes, under class E, 4s. 10d. If you got the onions removed into class E, would that suit you?—Yes.

805. Supposing the duty you ask were imposed, would there be sufficient demand on the part of the local market to keep you all going?—I think so.

806. *Mr. Tanner.*] What price did onions fetch last year?

Mr. Boag: This time last year they were sold as low as £1 15s. a ton.

Mr. Derrett: They got up to £6 at the end of the season.

807. *Mr. Stevens.*] We have been asked to take the duty off onions, and the reason assigned was that the New Zealand onions would not keep long enough to serve the New Zealand public all the year round: what is your opinion on that matter?

Mr. Derrett: That is so; we are without onions for two or three months, but locally I think people are supplied by the market-gardens, and very few are required at a certain season of the year until the imported ones come in in the summer.

808. *Mr. Stevens.*] You think that the people would not be inconvenienced in any way if there were no imported onions coming into the colony?—I do not think they would.

809. *The Chairman.*] What do you ask regarding clover-seed?—The imported clover-seed is sold at a less price than that produced locally, and we ask that a duty should be placed upon the imported clover-seed of 1½d. a pound. Most of the men who grow clover are men with small holdings. We can supply the whole of the local market.

810. *Mr. Mackenzie.*] Is there as much clover grown this year as the farmers can use?—More, in Canterbury.

811. I mean in the whole of New Zealand?—There has been as much grown as last year.

812. Did you export any last year?—Yes. One firm sent a hundred sacks from Christchurch, and it paid quite as well as any other product; but prices will come down, like those of everything else.

813. Does it not pay splendidly to sell clovers at the prices your are now getting for them?—The price I got last year was 4½d.

814. Was it good seed?—Yes; cow-grass.

815. Did it go in late?—About the middle of May.

816. I suppose that imported clover would be a great deal dearer than that?—It would not be sold under 8d. or 9d.

817. Do you grow alsyke?—Yes.

818. What do you get for it?—8½d.; and that pays very well when you can save it.

819. I should say that your clover here ought to be worth more than the imported clover?—So it is.

820. I do not think that it is good policy of the farmers to advocate protection?—But the other colonies protect themselves against us, and we cannot send our produce to Sydney without paying 10s. a ton duty.

821. Does your clover-seed go there?—Yes, to Melbourne and Sydney.

822. You say there is a duty there?—Yes.

Mr. Mackenzie: All clover-seeds are free in the colonies of Victoria, New South Wales, and South Australia.

823. *The Chairman.*] Do you object to your names being published?—No.

(38.) David Duncan examined.

824. *The Chairman.*] We know that you have a great deal of practical experience, Mr. Duncan, in the manufacture of farming implements; and, as we have had before us witnesses who have preferred various requests, and who have made various statements, we want you to be good enough, if you please, to give us such evidence as may confirm those statements or otherwise. It has been represented to us that ploughs have ceased to be imported into the colony, as you are aware; but it is stated that satisfactory ploughshares cannot be obtained from the local implement-makers. The witnesses who made these statements produced samples of the imported share and the locally-made share, and indicated that the fault of the colonial share consisted in the tip of the share not being sufficiently tempered, which rendered it incapable of standing hard work. On this ground they asked that the imported shares should be allowed in duty-free. We should be glad to hear your views on the matter?—In anticipation of your question, I broke the points off of three ploughshares that have been working with our own; they are the Hornsby, the Ransom and Simms, and the third is our share of colonial make, and the difference in the tempering of the tips is so slight that it is hard to tell where it comes in. [Samples produced.]

825. So that it is not a fact that there is a secret possessed by the English makers which you do not possess?—The only secret that their make has over ours is that we have to wait a long time for our supply of iron. We use the same quality of iron.

826. Then, as a matter of fact, do you say that you can manufacture ploughshares as good as can be imported?—Yes. I think that one-fifth of the farmers will agree with me in saying that our ploughshares are superior to the imported ones, inasmuch as we make them stronger for use on stony ground, where the imported shares are of no use. We made 100 dozen for use in one locality.

827. What is your view, as an implement-maker and a colonist, with regard to the proposal made by some implement firms for a prohibitive duty on all imported agricultural machinery?—I

think that it would be most disastrous for the colony and for employés in the colony if a prohibitive duty were imposed. My reasons are, in the first place, that it would create a competition in the cutting-down of prices, and that it would be the means of bringing into existence a great number of smaller manufacturers who would run down prices and wages to make a living. Another result would be that a prohibitive duty would open the door for the American manufacturers to come in and manufacture here. They have every appliance in America to enable them to manufacture goods very cheaply. The wages there are cheaper, and the hours are longer than here, and I honestly believe that if a heavy duty were put on the Americans would transfer a factory over here with one or two expert men, and work the rest with boys.

828. A proposal has been made by one witness that three articles of agricultural machinery should be dutiable—cultivators, ploughs, windmills, all of which he states are made in the colony. Do you think that imposing a duty on these articles would be wise policy?—I do not think that it is worth while putting a duty on ploughs, because we have already shut out the imported plough, and we are now prepared to make ploughs to meet the requirements of the colony against all comers. Cultivators are rather a new thing, and we have been able to hold our own so far in them. We have sold hundreds, and have now taken out a patent for an improvement on the American cultivator, and I think that we shall be able to hold our own against the imported article without a duty. Although I am a free-trader, I should not object to a duty being placed upon such an article. Windmills are pretty well shut out now by the local manufacture.

829. If there were any exception you would be inclined to make it in favour of the cultivator?—Yes

830. I suppose you do not object to its being stated that you attended, at the request of the Commission?—No.

(39.) Deputation from the Engineers' Society, Christchurch. (Mr. J. Chalmers and Mr. G. H. Watson attended as a deputation for the purpose of correcting a certain point in the evidence given before the Commission on a previous occasion.)

Mr. Chalmers: On the previous occasion, in answer to a question, I gave it as my opinion that the imposition of duties on agricultural machinery would necessarily increase the price of the machinery. I was here to represent my society, and not my own views. I simply answered the question on the spur of the moment, and our society maintains that this result would not follow.

831. *The Chairman.*] You wish to say that the Society of Engineers maintains that the imposition of the duties would not necessarily increase the price of the machinery?—Yes.

(40.) Messrs. Adams, Curtis, and Co. examined.

832. *The Chairman.*] I think you are a cycle-manufacturer?—Yes. I wish to read the following statement, which expresses our views regarding the tariff in its relation to the cycle trade:—

"*The Tariff and the Cycle Trade.*

"1. Cycles made here must be equal in up-to-date points to those imported.

"2. To keep up to date, English finished component parts must be used in the manufacture of cycles here. On these parts duty is 20 per cent., which, as indicated by the progress of the industry, is sufficient protection.

"3. Although we have used English parts, we have employed in the busy time over fifty hands, and paid in wages during the last three years the sum of £5,000.

"4. Component parts cannot be made here to equal those manufactured by special makers who use automatic machinery and all modern appliances, and supply the world with their productions.

"5. No manufacturer here could stand the expense of changing his tools and machinery, to follow the variations of patterns in England, to turn out a few dozens for the New Zealand market of the improved design.

"6. Raw material for new designs must be obtained from England, which delays the production here, as the patterns have to be sent there for the castings.

"7. Great assistance would be given to the industry by allowing all component parts to come in free, and charge the duty of 20 per cent. on complete cycles as at present, which is a sufficient protection for the industry.

"8. Very few cycle-manufacturers in England make up cycles from the rough parts. The general system is to obtain the component fittings from the special makers, and build up the machines using the parts, in the same way as we have practised successfully for the last three years. Firms in England employing a similar number of hands to ourselves never make up from the rough. Humber and Co. and a few others make up their machines from the rough parts, but to do so they employ 1,500 hands, and their shops are fitted up with all modern machinery, which they can afford to replace or alter to make up the new designs as they are introduced, owing to their output of cycles being enormous and their market the world.

"9. If the tariff is arranged with the idea of fostering the manufacturing from the rough parts here the object must fail.

"10. Higher duty on the parts would increase the price of the machines and reduce the sales, for now the industry is suffering owing to the price demanded for high-grade wheels being more than the average man can afford, for here, as in other places, riders will not use cycles of a low grade.

"11. If the component parts are not admitted free, the present duty of 20 per cent. should stand, and the same duty as regards complete cycles. The evidence we offer to you is that for the last three years cycle-makers here have successfully held the trade under the present conditions; but it would be beneficial to admit component parts free, and rubber goods, either made up or in parts, free.

"*Tires and Rubber Goods used on Cycles.*

"12. We are charged 20 per cent. since June, 1894, on tires. The present pattern of tire used on cycles, known as Dunlop's patent pneumatic, can be made up here by the company holding the patent if complete parts of tires were admitted free.

"13. The following rubber goods used in the cycle trade should be admitted free: Tires, complete and finished, made of rubber solely or canvas and rubber; tubes fitted with deflating-valves, made solely of rubber or any other materials; parts for making up complete tires in New Zealand; rubber covers, moulded or in strips; canvas or other fabric for outer covers, tubes fitted with patent deflating-valves, to include complete sets of parts for making up any other type which may be invented for cycle-wheels, not composed of rubber or canvas.

"14. For your information we give a list of cycle components used in the building-up and fitting of cycles used in New Zealand which cannot be made here equal in design and up-to-date construction: Ball-heads, balls, bearings, brackets complete with cranks fitted, breaks and fittings, chains, chain-adjustments, chain wheels, cranks, fittings for frames lugs and tubing, foot-rests, fork ends, hubs, lamp-brackets, nipples, oilets, pedals, steps, seat-pillars, washers, engineers' nuts, spokes, rims, and tires. (Rims and tires are not considered as component parts.)

"*Summary of what we recommend.*

"(1) Component parts free, or, as an alternative, the present duty; (2) cycles, duty as at present, 20 per cent.; (3) tires, free; (4) tires, parts of, free; (5) spelter, brazing-wire, borax, and other materials used in the manufacture of cycles, and all parts which are not complete sections of a cycle, known as rough parts—tubing, forks, stampings, castings, &c.—free."

DEPUTATION representing the BRUSHWARE INDUSTRY (EDWARD WALKER PIDGEON, representing Nind, Ward, and Co.; HENRY JAMES SHAW; and JAMES MILLER).

(**41.**) EDWARD WALKER PIDGEON examined.

833. *The Chairman.*] What are you?—Brushware-manufacturers, carrying on business in Christchurch. Our firm employs nine hands. We are importers and manufacturers.

834. What do you wish to represent?—We find it impossible under the present rate of duty to compete against the imported cheap English and German brushware. The finer household brushware-work which is at present imported can be made here. Fancy brushware cannot.

835. Are all these goods which are imported from England and Germany the product of free labour?—The German ones are undoubtedly the product of prison labour, but it is impossible to say what work is made in the prisons.

836. What amount of duty do you think would be sufficient to meet your purpose?—From 40 to 50 per cent.

837. What would be the effect of such a duty as regards the employment of labour?

Mr. Miller: We would employ more than double the labour at present employed, and we would also cheapen production.

838. *The Chairman.*] Therefore the colonial article would be cheaper than it is now?—Yes. My experience is that it is not a matter of price, but that there is a great deal of prejudice against the local article. We can import them cheaper than we can make them now.

Mr. Pidgeon: The imposition of the duty would make the English brushes dearer by the amount of the duty.

839. *The Chairman.*] What is the annual output of brushes from your factory, Mr. Pidgeon?—In 1894 it was £1,500. Have you anything to add with regard to the matter? I desire to hand in copies of letters addressed to the Commissioner of Customs in June, 1894, with reference to the duty on imported brushware:—

"30th June, 1894.

"SIR,— "Re *Increased Duty on Manufactured Brushware.*

"We learn through the daily papers that a committee is about to be appointed by Parliament for the purpose of deciding what changes, if any, are necessary in the existing Customs tariff; and as we, being manufacturers, take considerable interest in the question, we now venture to communicate to you our views upon the above subject, feeling that the stake we have and the interest we take in it are sufficient apology for thus approaching you.

"In asking your consideration of these remarks we would say that it is no thought of ours that the question should be treated from our standpoint simply because we happen to be manufacturers, but because this is a class of goods which, in all ordinary kinds of brushware, can be made in the colony just as well as in England, and it is solely owing to a tariff which is neither prohibitive nor productive that this industry is of such puny dimensions and in so useless a state as is the case at present.

"In making this remark exception must be taken to one class of brushware which cannot now be made here, and that is the fancy goods; but if a high rate of duty—we think, 35 per cent.—were placed on manufactured brushware in general, the fancy brushes would very easily bear the increase, and which we would be quite prepared to meet, so as to gain an advantage as manufacturers of the household goods.

"The present rate of duty—20 per cent.—is insufficient to prevent the importation of English and Continental brushware, the conditions under which the goods are made in the larger centres being much more advantageous to the manufacturer than is the case in New Zealand, and this enables the importer to have the English goods at much the same price as colonial; and, again, the trade is continually being upset through consignments of brushware coming into the market, and which, of course, always find a sale. This kind of thing must and will go on until a rate of duty is fixed which absolutely prohibits such.

"We may say that our factory has been in existence for about ten years, and we find it almost impossible to fight against the vagaries of the trade so as to advance, but, given the assistance of the Government, we have no hesitation in saying that before very long we can put our factory on such a footing that imported brushware will be almost unknown to the trade here.

"If we get the encouragement asked for we will undertake to at once erect a factory suitable for a large industry, and, as a matter of course, employ a number of hands; and in mentioning this we cannot say anything better in support of the opinion expressed.

"It will give us great pleasure to furnish any particulars which may be desired, and now can only hope to receive a share of your consideration. "Yours, &c.,

"NIND, WARD, AND CO.

"The Hon. the Commissioner of Customs, Wellington."

"SIR,— "30th June, 1894.

"In furtherance of our remarks as to the rate of duty desirable, which we mentioned in our letter of even date, that rate was suggested on account of the present rate in Victoria, which is the highest in the colonies on brushware, being fixed at that amount; but it would be very much better with even a higher one still. If, however, the duty cannot be made so high as we would like, it would not be advisable to put it at less than 35 per cent.

"We would like to repeat that the assistance which this increase would give us would be the direct cause of increasing our factory in every way to three times its present position, and at once.

"Yours, &c.,

"The Hon. the Commissioner of Customs, Wellington." "NIND, WARD, AND CO.

(42.) JAMES MILLER examined.

840. *The Chairman.*] Have you anything to add, Mr. Miller?—I should like to draw attention to the method in which tenders are invited for the supplies to our colonial institutions. At present the brushware is lumped in with the ironmongery contract, and the local brushware-manufacturers have no show. We think that tenders should be invited separately.

841. That is quite a reasonable request, but it does not come within our jurisdiction. What is your annual output?—From £300 to £400 a year. I employ two hands.

(43.) HENRY JAMES SHAW examined.

842. *The Chairman.*] Do you wish to make any statement, Mr. Shaw?—Yes. In the brush-making industry we use a great deal of local material—namely, wood and horsehair. I do not go so far as the others in the matter of the amount of duty. I am of opinion that an additional 15 per cent., making the duty 35 per cent., would be sufficient.

843. What is your annual output?—£2,300.

844. How many employés have you?—Nine (three of my own family, and six extra).

845. Is that all?—At present the woodware used in the brush industry is admitted duty-free, and I think it should bear the same duty as the imported brushes.

846. *Mr. McGowan.*] Are our New Zealand woods suitable for all kinds of brush-making?—I use nothing else but the New Zealand woods.

847. Do you find them suitable?—Yes, for all we make here.

848. Supposing that another brushmaker, of forty years of age, and who has been in the trade from his earliest boyhood, said that the New Zealand woods were not suitable for all kinds of brush-making, would you agree or disagree with him?—Well, in most cases the New Zealand woods are very much easier to work.

849. Is the kauri not liable to split sometimes?—No; the white-pine and kauri are the best woods in the world for brushmaking.

850. Would you make the backs of your finest clothes-brushes or shoe-brushes from kauri?—I would use it for the shoe-brushes.

851. Has the brush-making business not considerably increased during the last five or six years?—Mine is in the same position.

852. Are there not more brushmakers in the colony now than there were seven or eight years ago?—Yes; but not more than there were five years ago.

853. Are not brushes coming in here from Dunedin and the North?—A few.

854. Why do you ask for protection when, by your own admission, the trade is increasing, and you are holding your own with the imported article?

Mr. Miller: To stop a great many of these consignments.

855. *Mr. Mackenzie.*] Is there much sweating done in Italy in brush-making?

Mr. Shaw: They pay 1s. a day in Italy to a family of six.

856. *Mr. Mackenzie.*] We were told by a witness in Dunedin that the same class of brush is sold for 7½d. in Germany and is 7s. 6d. here: is that correct?—It is incorrect.

857. The fact is, that a man who makes a statement like that is drawing the long-bow, and you would not rely upon his evidence?—Yes.

858. *The Chairman.*] Have you any objection to your names appearing in the papers?—No.

(44.) C. HOOD WILLIAMS examined.

859. *The Chairman.*] You appear, Mr. Williams, on behalf of the Lyttelton Harbour Board?—Yes.

860. Upon what matter?—We ask that anhydrous ammonia, used in the Lind process for freezing sheep and butter, should be admitted free of duty.

Mr. Glasgow: It is free now.

Mr. Williams: We paid duty on it the last occasion. We also ask that chloride of calcium, which is also used for freezing purposes, should be admitted free.

Mr. Glasgow: That is also free.

Mr. Williams: We also ask that 10in. manila hawsers and 21in. coir hawsers should be admitted free of duty. They are used on the wharves and for towing vessels, and cannot be manufactured here. In regard to dredging plant, it is desirable that the raw material only for such purpose should be admitted free to be made up in the colony.

MONDAY, 18TH MARCH, 1895.

(2.) ARTHUR ANDREWS examined.

1. *The Chairman.*] What are you, Mr. Andrews?—A bookbinder.
2. Have you been long in business?—Four years.
3. Have you many employés?—Two; I have had five.
4. What do you wish to represent?—Under the present tariff manufactured stationery—that is, account-books, &c.—is charged 25 per cent. duty, and I find it impossible to compete at that rate with the imported article. I ask that the duty should be increased to 50 per cent. on the lower-priced goods. We can compete at present with the higher-class goods of the value of £1 and upwards.
5. Of course it follows if the duty were doubled that the cost of the article to the consumer would be increased?—Yes; my object is to increase the present price so far as books under the value of £1 are concerned.
6. What amount of employment would increasing the duty give?—I should say it would absorb the whole of the labour now out of employment in the trade.
7. Can you give us any idea of the number of men out of employment?—There are now about twenty-five men employed in the trade in Christchurch, forty lads, and seventy girls, and if this duty of 50 per cent. were imposed I feel sure half as many again would be employed. Taking the whole colony, the work done would amount to four times as much. I also ask that leather boards, used in the manufacture of exercise-books, should be free. I have tried to support the local leather-makers in this matter, but I cannot get as good a quality of locally-made leather as I can of the imported. The present duty is 1d. per pound. I have tried both Christchurch- and Dunedin-made leather. I ask for a duty to be placed on imported window-tickets of the same amount as on manufactured stationery—namely, 50 per cent.—and for the duty on imported cardboard boxes to be raised from 20 to 35 per cent.
8. *Mr. Tanner.*] Is the leather used in the making of leather-boards what is known as leatherette?—They are distinct articles. This leather board is a similar article to straw-board, but of a much tougher nature. It will bend, and does not crack; the straw-board does.
9. Have you ever "skived" it?—I have cut it right through.
10. Do you know what duty is imposed on imported letter-books?—I presume, 25 per cent. This book [Wise's directory produced] was printed here, but the outside cover was imported. Brett's "Early History of New Zealand," we were given to understand, was printed in Germany. The inside work is all girls' work, and if you take the cover away there is very little else for a man to do. I suggest that book-covers should be made to pay a duty of 50 per cent. if imported.
11. *The Chairman.*] Do you think letter-books could be made in the colony?—Yes. I have attempted to make them myself, but I cannot compete with the imported article at the present wholesale price. I can compete with the retailer who sells a book over the counter, but I cannot supply him with books to sell retail, as he can import them much cheaper than I can make them.
12. *Mr. Tanner.*] Do you think that letter-books should come under the heading of n.o.e., 25 per cent.?—I should make them 50 per cent.
13. *Mr. Mackenzie.*] What do you make your copy-books and exercise-books from?—Double foolscap.
14. Imported paper?—Yes.
14A. Are the materials that you put into your exercise- and copy-books made in the colony?—No.
15. So that all you do in the colony is to put together the paper that you import?—It has to be ruled and made up here into books; no material that is made in the colony is used.
16. You ask that 50 per cent. should be put on these books in order that the price might be increased, so that some forty-eight people might be employed. In other words, in order to employ these people, all persons who require these articles must pay a higher price. Is that not so?—They must pay a higher price if they get them manufactured in the colony.
17. That is what you ask?—Well, it is only a different way of putting it.
18. And the consumers must pay, at any rate, 25 per cent. more in order to employ the labour you name?—That is so.
19. Do you think that we use now sufficient books to employ all these men?—I should certainly say we do, considering the large number imported.
20. How long would we continue employing these women? Probably you have specified a number of apprentices, whom you include as fully-trained workmen?—There are no female apprentices in the trade; only male apprentices.
21. Well, if the male apprentices number forty, on the same calculation, if the duty were raised to 50 per cent., and the colony secured the whole trade, there would be two hundred lads in a short time who would be tradesmen?—So far as I am personally concerned, it would not mean that to me.
22. As far as I can gather, you now employ only two lads, and in asking that the tariff should be raised it applies to the whole of New Zealand?—Certainly. But so far as I am personally con-

cerned, it would not mean the employment of double the number of lads, because I would employ men.

23. Are you aware that exercise- and copy-books are now being made in New Zealand to compete with the imported article, and show no loss to the maker?—I am not aware of that.

24. It has been given in evidence?—I am making them myself, but the margin left me is very small after paying all expenses.

25. Then, the leather used in this class of books is really the only article of colonial make you use?—I think it is.

26. You will not assist any other local industry, but anything you require must be brought in free?—We would assist the local industries if they made good articles.

27. But they complain in some parts of the colony that the reason they are not able to turn out a higher class of material is because so much imported material interferes with their output?—I do not know what articles are referred to, or whether they are articles that can be used by our trade, but, as far as I am personally concerned, I would be only too happy to encourage anything that can be made locally.

28. In effect, you ask that all the material you use shall be admitted free, while on all you sell the duty is to be increased, in some instances to 50 per cent. over what it can be imported for now, and what you make is nearly all imported?—That may be what I have asked, practically; but I would like to state again that if any of the materials we use in our trade can be manufactured here, I would personally be only too pleased to use them; and I have done so, as far as they have been brought before my notice.

29. *Mr. McGowan.*] I gather that you cannot get your raw material in the colony, that you are anxious to get it if you could, and that you are ready to use it if you can obtain what you consider is suitable?—Yes.

30. Do you want the cardboard for the cardboard boxes free of duty?—It is free now as strawboard.

31. Are you aware that manufacturers can very easily bring out cardboard boxes now in sections, and simply make them up here?—Yes.

32. How do you propose to meet that difficulty?—A similar difficulty is met with in regard to bicycles; they are imported partly made, and a certain amount of labour is absorbed in putting them together. The labour employed in making these boxes up at Home could be utilised here, and I think that boxes imported under these circumstances should be liable to the same duty as boxes imported completely made.

33. I presume the same difficulty would not exist in connection with the account-books?—I can compete with those over the value of £1.

34. If the paper were manufactured in the colony, would you be able to compete with the cheaper articles the same as you are able to do with the higher-priced account-books?—Paper at present is 8s. a ream, and if we could buy paper prepared in the colony at the same price as the imported paper, and of as good a quality, we could compete with the Home goods on the same footing.

35. I want to know why you cannot compete with the cheaper class of account-books, seeing that you can compete with those of high price?—The reason is very simple. In the case of the lower-priced articles the rate paid for labour is very low in England and also in Europe in comparison with the rates of wages here. There is a quantity of the lower-priced material made in Germany and sent over to England, and on account of the low wages paid for labour there we cannot compete against it.

36. *Mr. Hutchison.*] Have you head-lines to your copy-books?—I do not make copy-books. I make exercise-books; and I do not want anything done regarding them.

37. Because copy-books can be made here as cheaply as the imported article?—Yes.

38. Mr. Mackenzie put it to you that you wanted everything belonging to your trade in free, and everything that was against your trade to pay a high tax. Do you not think you did, and that you weaken your case a little by your references to the colonial leather? You said you would not have colonial leather because it does not suit you?—It is not good enough, but in some cases we have used it.

39. Does it not occur to you that, if you manufacturers wished to encourage local industry, you should bear with one another?—I am perfectly willing to do so.

40. But you do not do that?—I encourage all the locally-manufactured goods I can.

41. But if you do not buy locally-made materials people will not buy from you. They will say they can get a better article from Home?—That is right enough, but if I cannot sell my goods on account of the inferior quality of the materials supplied by the local manufacturers it is impossible for me to buy them at all.

42. But people do buy from you, simply to encourage the local manufacture?—I very often do the same thing myself with regard to other industries.

43. Exactly, and I think that system should go on all round. But you do not care to utilise a number of articles apparently?—Personally I am only too anxious to buy anything that is made here and that I can utilise. I suppose during the last twelve months I have used over twenty-five pounds' worth of leather of local manufacture.

44. How much have you used?—Not more than fifty pounds' worth. We use thin moroccos, none of which are made here.

45. *Mr. Stevens.*] I understand you to say that if a duty of 25 per cent. extra were imposed upon the materials that can be produced here 25 per cent. extra would be added to the present cost of the articles in the colony?—I think that would be the case, as far as I can see.

46. Do you not think that by putting this extra duty upon the imported finished article, instead of upon the materials used in the making of the article locally, the effect would be to enable you to manufacture the same goods to a much larger extent than at present, thereby

enabling you to produce them in the end much cheaper than at present?—It would have that effect, and would be the means of distributing more money in wages.

47. And you would then be able to compete with the imported goods?

48. *The Chairman.*] Do you object to your name being published?—No.

WEDNESDAY, 20TH MARCH, 1895.

(**25.**) DEPUTATION from the CANTERBURY TYPOGRAPHICAL SOCIETY (W. A. WILLIAMS, President; F. C. GERARD, Secretary).

1. *The Chairman.*] How many members does your society number?

Mr. Gerard: About a hundred and thirty. I desire to hand in the following recommendations from our association:—

"That the Government be asked to impose increased Customs duties on the following articles: Stereotypes and matrices, prohibitive; printed supplements (newspaper), prohibitive; handbills, programmes, circulars, playbills, theatrical and other posters, labels for presentation-books, labels and tags, show-cards, invoice and statement forms, billheads, drapers' counter books, pictorial posters (not lithographed), chemists' and patent-medicine books and handbills, 50 per cent.; printed and embossed envelopes, 35 per cent.; writing-papers, cut to sizes smaller than large post, 25 per cent.; liquid gum, 30 per cent.; manuscript books, all kinds, 35 per cent.; account-books, all kinds, 35 per cent.; writing-paper, printed or embossed, 30 per cent.; bank-drafts, &c., issued on local banks, 30 per cent. on production cost; books, ruled or plain, 35 per cent.; cardboard boxes, 30 per cent.; bankers' cheques, 35 per cent.; lithographic cards and stationery, 35 per cent.; pocket-books (metallic, &c.), 35 per cent.; sketch-books and blocks, 35 per cent.; writing-inks of all kinds, including copying, 30 per cent.; copying letter-books, 35 per cent.

"That the Government be asked to exempt from Customs duties the following articles, necessary for manufacturing purposes: Cartridge-papers, all sizes from demy; copying papers, all sizes from medium; ivorite and gelatine, all sizes from demy; cloth-lined boards, from royal; cloth-lined papers, from demy; elastic, for pocket-book making; enamel paper, in sizes from demy; machinery for making envelopes; metallic papers, all sizes from demy; hand-made cheque papers; masticated para.

"All the above-mentioned articles were passed by the typographical conference which sat in Wellington during the month of June last, and represent the views of the typographical societies of the colony."

The Chairman: It might save you a little explanation if I tell you what has been recommended by a similar association elsewhere. [Recommendations of Wellington Typographical Association read. *Vide* page 5.] We have already had requests regarding all the items mentioned in your list, with the exception of writing-papers, bank-drafts, books ruled or plain, lithographic cards and stationery, pocket-books, sketch-books, machinery for making envelopes, and oils. We have had the question of stereos, matrices, and printed statements, billheads, &c., clearly explained to us, so if you gentlemen desire to speak we shall be able to follow you without detailed explanation being necessary.

Mr. Gerard: I do not propose to speak at length. These recommendations were adopted at a conference of the Typographical Association held at Wellington last June. I believe that all members of Parliament were supplied with copies, and we merely represent the Canterbury association in order to support the recommendation of the Wellington conference. With regard to most of the items, I think you may take it for granted that the list represents the views of the employers as well as the views of the men. Before going to Wellington I took the trouble to interview the employers here, and they held a meeting and supplied me with their views and recommendations. These were afterwards adopted by the conference.

2. *Mr. Stevens.*] Have you a New Zealand Typographical Association?—No. Each locality has one.

3. *Mr. Tanner.*] Did they all act in concert in this matter?—Yes, at the conference in Wellington.

4. *The Chairman.*] I think that it will be sufficient if you advance the reasons why these recommendations are made. Bank-drafts, for instance?—They are at present imported by banks, and could be made here.

5. "Books, ruled or plain": what does that mean?—I believe that item refers to imported copy-books used in the public schools.

6. I presume it includes ledgers and journals?—Yes, all commercial books. They pay now a duty of 25 per cent.

7. "Cardboard boxes": 30 per cent. is recommended?—You may take it that all these recommendations are the recommendations of the manufacturers here.

8. By sketch-books and blocks I suppose you mean drawing sketch-books?—Yes.

9. What is the recommendation *re* writing-papers cut to various sizes for?

Mr. Williams: I think that the object is to shut out the paper of smaller sizes sent here from all parts of the world, and by importing the larger sizes to give the work of cutting to people here. [The reason, I have since ascertained, is already explained in the witness's answer to the question.]

10. *The Chairman.*] What explanation can you give regarding the second list—the list of exemptions asked for?

Mr. Gerard: The cartridge-papers are used for manufacturing purposes; for bookbinding, and for the finer classes of work in printing. Copying-papers are for manufacturing into letter-books.

Ivorite and gelatine are for manufacturing and printing purposes. Cloth-lined boards and papers are for bookbinding.

11. *The Chairman.*] Would the elastic for pocket-book making be likely to be used in other trades, or for general purposes, such as ladies' garters, &c.?—The elastic used for pocket-books is too small to be used for that purpose. Enamel paper is used for the same purpose as the ivorite paper.

12. Cannot the machinery for making envelopes be made in the colony?—I should think it could.

13. Is it a patent?—I do not think so.

14. You are not prepared to say that it could not be made here, but that there is not the demand for it?—No.

15. What are the metallic papers used for?—For stationery purposes, and for a kind of copying-book.

16. Why do you ask that hand-made cheque-papers be exempt?—With a view to having the cheques printed here.

17. What is "masticated para"?—An article used in book-binding, in the place of glue.

18. Is it known to the Customs at all?—I do not think so. It is a kind of indiarubber, and has to be reduced to a liquid state before use.

19. Do you want a duty on printed books?—I think that a duty should be placed on such books as Wise's directory, which is printed outside the colony.

20. The question has been raised already, and it has been pointed out that there is a loss to the compositors of £700 from this source. You do not want a tax on literature proper?—No.

21. How much duty do you ask for on these printed directories?—30 per cent.

22. *Mr. McGowan.*] It seems a strange thing to class counter-books, pictorial posters, patent-medicine books, and hand-bills, together. Is it the opinion of the association that they should be so classed?—Yes.

Mr. Williams: I was waited upon on Saturday by the canvasser of the *Lyttelton Times*, who stated that in canvassing the country he finds that when he has given a quotation for printing he is immediately met with the statement that the work can be done for half the price by sending it to the Old Country. The people who do this complain of hard times. This canvasser came back with, comparatively speaking, no orders, and he asked me to draw attention to this fact when supporting these duties before the Commission. He states that he has gone through New Zealand during the last four months, and that, if the Government could see its way to impose the duties recommended, it would check the importation of the foreign executed work to a large extent. I would also like to state that, although we are practically working compositors, we do not bind ourselves hand-and-foot to the items mentioned in this list. They are the result of the combined business ability of the gentlemen forming the Master Printers' Association, and our association has taken them up, in their interest and our own.

23. *Mr. Tanner.*] With regard to the items enumerated in paragraph 3 (handbills, programmes, circulars, &c., 50 per cent.), have you overlooked the seed catalogues and pamphlets which are circulated so extensively through the colony, or is it intended that that class of work should be allowed free ingress into the colony?

Mr. Gerard: That question was considered by the conference, and it was thought that we could not go so far.

24. *Mr. Glasgow.*] With regard to copying-papers, could you say how these papers are to be distinguished from tissue-paper?—I think our list refers to paper for copying-books.

25. Cartridge-papers are used for wrapping purposes, and to exempt them might bring us into conflict with the paper-mills. It is intended that the items specified in No. 267 of the tariff, that are not mentioned in this list, shall remain at 25 per cent. For instance, diaries are not mentioned?—I take it that they will remain at 25 per cent.

Mr. Glasgow: On ruled paper we at present only charge 15 per cent., and it is a question whether they ought not to be included in your list.

The Chairman: You might consult your association as to including diaries in the list, and as to distinguishing the tissue-paper; also about the cartridge-paper and ruled paper.

26. *Mr. Glasgow.*] What about copy-books and drawing-books. They do not seem to be mentioned?

27. *The Chairman.*] Have you gentlemen any objection to your names appearing in the papers?—No.

[With regard to the question referring to diaries, my Board is of opinion that the omission of diaries was purely accidental. We therefore wish to include them in the list, subject to the same increase as the other items specified in No. 267 of the tariff. Regarding the distinguishing of tissue-paper used for copying-books from paper used for other purposes, we can see no way to get over the difficulty. The same remarks apply to the case of cartridge and ruled paper. In reply to Mr. Glasgow's question referring to copy- and drawing-books, we are of opinion that the duty on these should be increased very considerably, as they can be easily, and in fact are, manufactured in the colony.—F. C. G.]

HOKITIKA.

Monday, 25th March, 1895.

(1.) J. Mandl examined.

1. *The Chairman.*] What are you, Mr. Mandl?—A brewer and wine-manufacturer. I have been in business in Hokitika twenty years.

2. Do you employ many hands in your brewery?—Four. The average wage is £3 a week.

3. What is your total per annum?—1,350 hogsheads, and I could make more.

4. Will you kindly state what representations you wish to make in connection with the tariff?—I wish to refer to the matter of colonial wine manufactured from local fruits, such as gooseberries, elderberries, blackberries, apples, rhubarb, and currants.

5. Is there a large manufacture here of this wine?—There are three makers in Hokitika; and my average output is thirty to forty quarter-casks per annum.

6. What is the wholesale price?—8s. per gallon. Two gallons go to a dozen bottles. I desire to make the following statement: As one interested in the colonial-wine trade of the colony, I beg to approach you on the matter, and endeavour to show that the proposed reciprocity treaty with South Australia will be harmful to the trade of this colony directly, and indirectly will affect the colony in many other ways in a serious direction. As to the trade itself, I will take my own case. Annually I expend about £200 in the purchase of fruit. This amount is distributed among a considerable number of poor people, who would be deprived of this means of livelihood were the proposed treaty affirmed, as it would be totally impossible to compete against the established wines of South Australia. Personally, I would suffer considerable loss. I have a large amount of capital sunk in the venture, which is only now beginning to give a satisfactory return. And my case is typical of many others in New Zealand, though no doubt many others would suffer more severely than I—viz., those who have a larger trade and bigger going concern than is worked by me. This would mean a direct loss to New Zealand, and would result in large numbers of people losing employment in an at present fairly lucrative trade, and being turned into some other channel, which would in turn become overrun and suffer disaster. Apart from this, the New Zealand wine industry is steadily growing year by year, and, with the more general growth of fruit, must soon, if assisted by the present import duty, become a leading industry. In this district it has now been found that excellent fruit can be grown, and in another season or two the yield will be most prolific. I had been contemplating extending my operations in the industry, but the announcement with reference to the treaty has necessarily checked my intention for the present. If the treaty is abandoned I feel safe to say that very great strides will be made in the wine industry in New Zealand. Then, as to the indirect disadvantages. The removal of the restrictions of the tariff will result in the import, most probably, of all sorts and kind of wines, which will result in wholesale consumption. They will necessarily be cheap, and will soon entirely supplant the local article. This wholesale consumption will necessarily lead to increased drunkenness, and increased costs of the Justice Department will follow. The purchase of these cheap wines in wholesale quantities will, in turn, likewise affect the retail trade of the hotelkeepers, and loss in revenue to local bodies will follow in many instances. All this means disorganization of trade generally, and indirectly much loss must accrue to the colony. Looking at the matter from these several points of view, I would urge your careful attention to the question as now laid before you. In conclusion, I would respectfully point out that the treaty as proposed, being only between South Australia and New Zealand, the probabilities are that the other colonies will retaliate, with the result that our timber and other exports to neighbouring colonies will be made dutiable, and this colony thus suffer a further indirect loss. Wine is fortified in Australia to the proportion of 40 to 60, and therefore cannot be beneficial. I think the Australian wine, on this account, is more injurious than spirits or other beverages. We also export large quantities of timber to the other colonies, and they will retaliate on us if not allowed the same privileges as South Australia.

7. *Mr. Hutchison.*] Have you considered this proposed treaty with regard to its bearing generally upon this colony, and not as connected with one particular industry?—I think that reciprocity will affect one particular industry at the expense of another, and if you allow the free importation of Australian wines it will have the effect of benefiting the farmers only.

8. You state there is a difference between the wine drunk in the country where it is made and wine that requires to be fortified. I presume that wine is fortified to some extent even in the country where it grows?—Wine makes its own alcohol. I make considerable quantities, and I do not fortify it at all; it will keep for three years. The longer it is kept the more it improves. I have some now in stock five years old.

9. I suppose you would agree that in wine-drinking countries the population is more sober than in countries where they drink spirits—whiskey and so on?—I believe that is so.

10. Do you not think it would be an advantage to people to be able to get a bottle of wine, instead of whiskey?—If you take a bottle of wine, or a glass of beer, no doubt you would feel different effects in the morning.

11. *Mr. Mackenzie.*] Would your output supply the demand?—It would in this district.

12. Do you make clarets or white wines?—I make white and dark wines. I do not use the grape.

13. You said that the consumption of Australian wines would not tend to temperance in the colony?—I do not think it will conduce to temperance.

14. I gather from what Mr. Reeves said the other day that the mere tasting of New Zealand wines would deter any one for ever from indulging much in them?—I did not see that statement.

15. I think you mean to infer that Australian wine will injure people, and that therefore they should not consume it; and perhaps Mr. Reeves's statement regarding colonial wine indicated that the very quality would cause a person not to consume any: therefore, if we keep out the Australian wine, it would tend to sobriety: is that your opinion?—I have not the slightest doubt that the colonial wine is very suitable. I have heard no complaints about it.

16. Do you think the colonial wine can take the place of the wine we are now importing?—No.

17. Do you think it is better for people to drink South Australian claret, costing 1s. a bottle, than to drink tea?—I think it would be an expensive drink.

18. Would it not have a better effect?—I could not say.

19. Which do you think would be the most wholesome?—Perhaps claret is; but I do not think it can ever take the place of tea.

20. I suppose you know there is a class of wine sold in South Australia at 7½d. a bottle, retail?—I do not think you can land claret here at less than 5s. a gallon.

21. *Mr. Stevens.*] Would the importation of Australian wine interfere largely with the sale of your wine if the former were admitted duty-free?—I could not compete with the Australian wine without the duty.

22. Is not the Australian wine superior to yours?—Yes.

23. If the duty were removed, would not the better class of Australian wines be imported here, in place of the cheaper brands, thus leaving the market free for your productions?—I think the cheaper class of wines would be imported, so as to compete with local manufacturers.

24. Do you deal with the hotelkeepers and merchants chiefly?—Chiefly hotelkeepers.

25. Do you specially label your wine?—I label it "colonial wine," with the maker's name on the label.

26. I heard you say that wine which was not fortified was superior to wine that was fortified?—That is so.

27. Did you not ever fortify wine with spirits of wine?—I do not think any wine made at Home is ever fortified with spirits of wine.

28. Did you ever hear of a wine-grower in Wanganui named Soler, who asked to have the duty taken off spirits of wine, in order to enable him to fortify his own wine?—No.

29. If wine is so fortified, would you say it was injured?—Spirits of wine is injurious in itself, and I think that unless wine makes its own alcohol, and if it requires fortifying, it is not healthy if fortified in that way.

Mr. Stevens: Mr. Soler's wine is a New Zealand wine, and I do not say it is to be compared with Australian wine, but he has a large sale for it, and it is fortified with spirits of wine, which he distils from the lees of his own wine.

31. *The Chairman.*] Do you object to your name appearing in the papers?—I would prefer it not to. If Commissioners think fit to publish my statements they may do so.

(**2.**) Deputation from Photographic Trade (John Tait of Tait and Ward, Photographers; and James Park, President of the Camera Club).

32. *The Chairman.*] How long have you been connected with the photographic business, Mr. Tait?—About thirty-five years; thirty years here. I employ two hands. They receive 7s. 6d. a week as beginners; have paid £4.

33. What representations do you wish to make?—We are at present charged 20 per cent. on the gelatine bromide paper, and we ask that it should be placed on the free-list.

34. That matter has been represented to us in Christchurch, Dunedin, and Invercargill, and we have been asked to have all sensitized papers admitted free, in the interests of photography. Would that meet the application you wish to make?—Yes.

35. Is there any other matter?—We also ask that a duty should be placed on the enlargements imported into the colony, orders for which are taken here but which are sent away to be executed. At present they escape duty. The same remarks apply to the views of New Zealand scenery finished at Home, and then returned to the colony to compete against our own people. They pay no duty, and we think one should be imposed. I am also in favour of a reduction of 5 per cent. on all photographic goods, including mounts. We wish all sensitized paper and films to be free of duty.

Mr. Park: I cannot add anything to Mr. Tait's remarks. Our camera club numbers about thirty members, and I agree with the application now made.

36. *Mr. Stevens.*] Are photographs looked upon as a necessity or a luxury, Mr. Tait?—I think they are a little of both.

37. *Mr. Mackenzie.*] Why should you want a reduction of 5 per cent. all round?—In the case of goods that cannot be made here, I think the duty should be fair and reasonable. I admit the justice of a duty being charged, for the purpose of obtaining revenue for the maintenance of government, on goods that can be manufactured in the colony.

38. Do you not think it would meet your case if you had all this sensitized paper admitted free, and if a duty were levied on all other articles?—I think that 20 per cent. is excessive. I consider 10 per cent. a fair thing on goods that are to be made dutiable.

39. *Mr. Tanner.*] Are you aware of a recent decision of the Customs which brings the imported enlargements you refer to under the 15-per-cent. duty as pictures?—As I read the tariff I take them to be pictures for sale in a shop, and consequently they come in free.

40. You have made no recommendation for the adjustment of this evil: what do you suggest?—I ask that these canvassers for photos should be licensed as hawkers, and that a duty of 25 to 30 per cent. should be imposed on their pictures imported into New Zealand.

41. *Mr. Hutchison.*] Did I hear you correctly when you stated you paid 7s. 6d. a week wages?—I do.

42. Is not that a marvellously low price for wages?—Not for beginners, and those we have at present are beginners.

43. If you had an employé who was not a beginner, what would you pay?—£4 a week. Female employés would receive 12s. 6d. a week, and a rise after a certain time.

44. *The Chairman.*] Do you object to your name appearing in the papers?—No.

(**3.**) Henry Leslie Michel examined.

45. *The Chairman.*] What are you, Mr. Michel?—A coffee-merchant. I have been in business twenty-three years.

46. Do you manufacture coffee?—We import it in the raw state, and roast it.

47. Do you employ much labour?—Four men; the average wages are £2 5s. a week.

48. What is your output in a year?—25 to 30 tons, of an average value of 1s. 1d. per pound.

49. What do you wish to represent to the Commission?—I think the present duty of 3d. per pound is too high on the raw coffee, and I ask that it should be reduced to 1d. The price of the raw article is from £40 to £70 higher than what it was some twelve years ago. When the duty was first imposed raw coffee was worth about £3 10s. a hundredweight; the present price is £5 12s. to £6 a hundredweight, *plus* duty. Another reason why the duty is too high is because during the last three years an article called "essence of coffee," which in reality is composed principally of treacle, has been imported largely into New Zealand, and it is to a great extent superseding the ordinary coffee. The amount of duty now paid on coffee is very much less than it was a few years ago, when there was a smaller population. I do not recommend that an increased duty should be placed on the coffee-essence, but I think the duty should be taken off the raw beans.

50. Supposing the duty on the raw article were reduced to 1d., would the effect be to reduce the cost of coffee to the consumer, or would the saving go into the manufacturer's pocket?—I think the effect would be to shut out this so called essence of coffee, and the public would get the advantage.

51. Is it not a fact that essence of coffee is so much in demand on account of its portability?—I hardly think that is a reason for its popularity: it is used so largely on account of its being quickly and easily made. One effect if the duty on raw coffee were reduced would be that a better article would be supplied, on account of the competition of the local manufacturers.

52. Do you think that there is sufficient competition amongst coffee-makers to insure that there would be a better article produced?—Unfortunately it is so.

53. *Mr. Tanner.*] The importation of coffee last year was 356,000lb.; in 1889 it was 342,000lb. Do you contend that that is a decreasing quantity?—I would point out that those figures are very close. You will find that when the population was very much less the amount of coffee imported into the colony was much more than it is now.

54. Do you consider that coffee-essence can be fairly described by the term used, seeing it is composed of treacle mostly?—As a manufacturer, I know it is so.

55. Have you submitted it to chemical analysis?—I have made some myself.

56. *Mr. Hutchison.*] Have you considered how the duty on coffee bears in proportion to the duty on tea?—Yes; that is a very important aspect. The use of tea has increased during the last few years, and it is now competing with coffee to a far greater extent than was formerly the case. That is another reason why the duty on coffee is out of proportion to that on tea.

57. What proportion would be a fair one as between the two articles as regards duty?—That opens up a very complex question, and I am strongly of opinion that the present mode of levying the duty on tea is not a right one, because on tea costing 6d. a pound there is the heavy duty of 6d., but on tea costing 2s. per pound this duty becomes comparatively light. But I am not prepared to open up the question on the spur of the moment.

58. *Mr. Stevens.*] Is not the duty on tea, in your opinion, excessive at present as compared to what it was ten years ago, when tea was nearly 50 per cent. dearer than it is now?—I do think 6d. per pound on tea is too high, and out of all proportion to its value. Last year we in Westland produced 35,000oz. of gold, and it took 6,000oz. to pay the Customs duties in Hokitika and the district.

59. You say that, taking a number of years, the importation of coffee has decreased. You are right in this respect, for I find that from 1888 to 1893 the decrease has been 43,000lb. Supposing the duty on coffee were reduced, or removed altogether, would such reduction go to the benefit of the consumer or to the benefit of the manufacturer here?—The consumer would get a better article than he is getting now, and the manufacturer would, perhaps, get a small increased profit.

60. *The Chairman.*] Do you consider that a duty of 1d. per pound would be quite sufficient on the raw coffee?—Yes.

61. Do you object to your evidence being published?—No.

(4.) Deputation representing the Mining Industry (Hon. J. Bonar, M.L.C.; Thomas Henry Gill; Herman Augustus Baucke, President, Miners' Association; James Webster, Secretary, Miners' Association; C. J. E. Linneman, H. L. Michel, M. W. Jack, and J. Mandl).

62. *The Chairman.*] I understand that you gentlemen appear to represent the Mining Association?

Mr. Gill: The matter we wish to bring before the Commission is this: that we, living in a mining community, are taxed with the general body of the taxpayers, and that a large proportion of the taxation of the colony is devoted to the express purpose of supporting and fostering what are called "native industries"; therefore, we, as taxpayers, must necessarily contribute revenue for the purpose of building up manufactures from which we reap no benefit. We live in a mining community, and necessarily buy the various articles manufactured in the colony. Take candles, ready-made clothing, and soap, for instance: the duties levied on these articles, if imported, are largely for the support of native industries. Another point is that we are not an agricultural community, therefore we cannot derive any benefit from the scheme of last session for the assistance of agriculture by means of cheap money to farmers. We have to help to pay bonuses for the carrying-on of other industries in the large centres, and we have to pay our share of whatever loss there may be in the cheap-money scheme—in fact, we must depend upon our output of gold; and, seeing that we have to assist in supporting the manufacturing and agricultural industries, I think this argument has a direct bearing upon the mining industry. The third point is the one that most practically concerns us. Seeing our prosperity depends almost exclusively on the output of gold, it follows that the gold output depends upon prospecting. The gold-mining industry is dependent

upon the amount of money available for prospecting purposes, and we therefore ask the Government to grant us a substantial vote to assist us in developing the mining industry by systematic prospecting.

The Chairman: I am afraid that matter does not come within the scope of the Commission. Our duties are to inquire into the working of the Customs tariff and excise duties. I would suggest to the members of the deputation that they should follow up the remarks of the gentleman who has introduced the matter by submitting any evidence they may wish to offer in support of the first part of Mr. Gill's application, or by showing that the present duties are too heavy, but, nevertheless, that you would be willing to submit to them provided you received some return in the shape of local expenditure.

Mr. Gill: Dealing with the tariff, I intended to show that we, as a mining community, have to depend upon mining solely, and that if we are not assisted we cannot hope to get along at all; and I submit, with all due deference, that our request is just as fair and reasonable as a request that a bonus should be given for the establishment of a new industry.

62A. *The Chairman.*] Do you agree with the statement made by Mr. Michel, that 6,000oz. out of the 35,000oz. raised go in Customs duty?—I have not that knowledge of the figures to enable me to answer the question.

Hon. Mr. Bonar: It might be of information to the Commission if I put in the following statement of the gold produced in the County of Westland during the last fifteen years. The point we wish the Commission to note is that we receive nothing in return for the gold we produce. If we had large manufactures we would receive an equivalent in return: "Quantity of gold produced in the County of Westland (including the Boroughs of Ross, Kumara, and Hokitika): 1880, 53,287oz.; 1881, 35,396oz.; 1882, 44,005oz.; 1883, 47,400oz.; 1884, 41,677oz.; 1885, 45,555oz.; 1886, 41,980oz.; 1887, 40,146oz.; 1888, 36,486oz.; 1889, 36,884oz.; 1890, 31,745oz.; 1891, 40,261oz.; 1892, 35,794oz.; 1893, 34,085oz.; 1894, 30,484oz.: total, 595,185oz."

63. *The Chairman.*] Speaking for the mining community then, Mr. Gill, you would like that the duties that press on the industry should be altogether removed?—Yes, but we prefer that they should remain as they are, and that we should receive similar assistance to that given to the manufacturing and agricultural industries.

64. You do not ask that the duties should be removed?—No.

Mr. Michel: I dissent from that view. There was a meeting held the other evening, at which a resolution was carried that representations should be made to this Commission with a view of getting a reduction in the duties on the necessities and comforts of life.

65. *The Chairman.*] You complain, Mr. Gill, that the duties press heavily upon you because you are a mining community?—We do.

66. You also say you are not a manufacturing community, that you do not receive any special assistance from the Government in connection with your industry, and that you have to contribute to the general revenue through the Customs, while the Government is obliged to give special assistance to other industries?—That is so.

67. Do you want the duties, therefore, reduced or removed?—No, if we can get a *quid pro quo;* yes, if we can get nothing.

68. Then, you are content to continue paying these duties, provided a certain proportion were returned to you by way of compensation in the shape of direct assistance from the Government?—Yes. We receive a grant of £200 a year for carrying on prospecting.

69. And supposing inquiry were made, you could indicate the works upon which this assistance could be profitably expended if the application were granted?—Yes.

70. *Mr. Tanner.*] Can you tell me what you meant, Mr. Gill, by your reference to the exceptional way in which the import duties affect the mining industry?—I meant, *e.g.*, that if a soap-factory were started in any part of the colony it would receive the benefit of the protection granted in the shape of increased duty. We have to pay that, while we receive nothing in return.

71. You also spoke of the assistance given to manufacturing districts outside of the duty levied for revenue purposes: what did you mean?—At the last revision of the tariff extra duties were put on to assist industries that could not get along without such assistance (as well as to raise a larger revenue). I consider this assistance to local industries a tax, which we as taxpayers of this colony have to pay.

72. That is your individual opinion?—As a free-trader, it is.

73. I suppose you are aware that the candle industry pays a duty of 20 per cent. on the machinery imported for its requirements?—Yes.

74. Are you aware that mining machinery pays no duty?—I thought it was free, but I was not sure.

75. You referred to bonuses given to many industries: will you kindly explain what bonuses have been paid?—I was speaking in a general sense. I could not give any specific case.

76. Are you aware that it has been the practice of the Government to offer bonuses for the manufacture of various articles, but that the conditions attached have been such that the bonuses have never been earned?—I am aware that bonuses have been offered, but not of anything further.

77. Are you aware that a bonus of £3,000, or £2,000, was offered for the production of flax-dressing machinery?—I could not say the amount.

78. Are you aware that anybody has ever attempted to claim that bonus?—I am not.

Mr. Tanner: Well, the reason is that it is hedged around with so many restrictions. I believe you people on the West Coast are accustomed to this sort of thing, and we on the East Coast are also accustomed to it. It is cheap to be generous in this way.

80. *Mr. McGowan.*] As Mr. Tanner has used his power of cross-examination for the purpose of giving a particular shade to the position of affairs, I wish to ask a question on the other side. Take the question of the 6,000oz. of gold paid in duty by the people of the Coast, from which they have received no benefit at all, other than the general benefit the whole colony receives: do they not

pay something else, which goes largely to benefit in some cases the manufacturer and in other cases the importer, when they consume the goods that have already paid this duty?—I do not quite understand what you mean.

81. When the retailer buys these goods he pays the duty that has been already paid on them, and the mining community, as a rule, pay more than the actual duty that is represented by those figures: is not that so?—Yes, we pay considerably more.

82. And the mining community, member for member, pays more than any other community which happens to be mixed with manufacturing?—Yes.

83. And the gold-mining community pays more to the manufacturer and importer than any other industry, and for the article they produce they receive no assistance except what they get by direct vote?—That is so.

84. *Mr. Stevens.*] With respect to this 6,000oz. of gold you allege you have paid away in Customs duties, where was all this duty paid?

Mr. Mandl: Most of it is paid in Wellington, Dunedin, and Nelson. The duty is paid at the port the goods are imported at.

85. *Mr. Stevens.*] The amount of duty paid at Hokitika in 1893 was £13,448, and, taking the value of your gold at £3 17s. 6d. an ounce, the 6,000oz. would be worth £23,250. Therefore, there appears to be a sum of £9,802 unaccounted for, excepting by a general statement that it may have been paid somewhere else. I think it would be better if you could definitely say that so much had been paid in Wellington, so much in Dunedin, so much here, and so on. In making representations to the Government it is necessary that you should not be tripped up by wrong figures. Supposing the duties were so reduced as to enable the workmen of this locality to purchase their goods at 25 per cent. less than the present price, what amount of extra prospecting would that cause in this district?

Mr. Mandl: One-fifth more if the duties were removed entirely.

86. *Mr. Stevens.*] And therefore there would be one-fifth more gold produced?—Yes.

Mr. Michel: I think we can easily substantiate our contention that fully £25,000 is paid in Customs duties by Hokitika and district. I speak with authority as a large importer, and I say that fully one-half the goods coming into Hokitika come in duty-paid. The candles imported are prepaid in duty; there is a duty of 2d. per pound on candles, and all the candles imported are used by the miners, because the locally-made candle is not suitable for mining-work. An ordinary claim of four men uses a box of candles a month, and that is practically a tax on each claim of 4s. 2d. a month. Kerosene also comes in duty-paid. The miners also will have a certain class of matches, Bell and Black's No. 4, in preference to the colonially-made ones.

87. *The Chairman.*] Is not that a matter of prejudice?—I used to think so, but I am afraid it is not. The colonial matches will not stand the damp. The duty is 5s. 6d. per gross, and most of that is paid in Wellington. With regard to the question of bonuses, Mr. Gill was unable to mention any case. I might refer to the starch bonus, and the export bonus of 1d. per pound on fish exported from the colony. I dissent entirely from the general view that the Customs tariff presses evenly upon the taxpayers, and I say that in a mining community like this it does nothing of the kind, and that in proportion to our population we are paying far more than is paid to the Customs revenue in the agricultural or manufacturing centres, and that we feel more keenly than they the heavy Customs duties.

88. How do the miners pay more?—Take the item of candles: that is a special tax on the miners' underground-work; and the same with oilmen's stores and many other articles.

89. *Mr. Tanner.*] Has any one said here to-day that the Customs duties press fairly?

Mr. Michel: No.

Mr. Tanner: Well, it is to ascertain whether the incidence is fair or otherwise, among other things, that the Commission is here to-day.

90. *The Chairman.*] I suppose you gentlemen have no objection to its being stated that you have appeared here as a deputation to-day?—No.

(5.) James Renton examined.

91. *The Chairman.*] What are you?—An ironmonger. I have been in business in Hokitika for thirty years.

92. What matter do you wish to represent?—I have imported a saw from America for sawing up logs, and the Customs ask me to pay a duty of 20 per cent. on the woodwork; the ironwork is free. I think the whole thing should be free, as these saws cannot be made here, nor the woodwork.

The Chairman: This is more a departmental matter, but we have taken a note of your request.

GREYMOUTH.

Tuesday, 26th March, 1895.

(1.) Andrew Matheson examined.

1. *The Chairman.*] I understand that you are a coal, timber, and wool merchant, Mr. Matheson?—Yes. I have been in business here twenty years; on the Coast thirty years.

2. Will you kindly state the matter you wish to bring before the Commission?—We find that the duties levied in Australia on our white-pine timber press very hardly on us, and we think that if the duty charged on Australian timber imported into New Zealand were abolished the Australians would also abolish their duties against our timber.

3. What timber do you import?—Ironbark chiefly. The duty on white-pine imported into New South Wales and South Australia and Queensland is 1s. 6d. per 100ft. The New Zea-

land duty on sawn timber is 2s. per 100ft. Personally, I am only engaged in the export trade in white-pine. I have sent close on 1,000,000ft. to Melbourne during the last eight months. The net return is only 4s. 6d. per 100ft.; if there were no duty it would be 6s. per 100ft. I desire to hand in the account-sales of a shipment of 70,000ft. of timber (white-pine) to Adelaide. The amount realised by the sale was £382 10s.; the duty amounted to £52 10s., freight and other charges £183 3s. 9d., leaving a net return of £146 16s. 3d. [account-sales handed in]. Victoria, South Australia, and New South Wales are the only outside markets we have that are worth having, and both South Australia and New South Wales levy duty on our timber.

4. *Mr. Mackenzie.*] What do you want done?—I think there should be reciprocity between the Australian Colonies and New Zealand in the matter of the timber trade, because New Zealand loses a great deal more than she gains through the present import duty on Australian timber. The latter is mostly hewn timber, and no duty is paid on it, whereas the timber we export is timber for the making of butter-boxes, and pays duty in Australia as sawn timber.

5. Failing their allowing our timber in free, do you want the duty on the Australian imported timber to remain?—I do not think so. They do not do us any harm, because we cannot produce in this colony the class of timber imported.

6. I suppose you have a great supply of white-pine bush here?--Millions of feet. I have in Melbourne at present over 600,000ft. unsold, on account of the dullness of trade.

7. What is the value of white- and red-pine timber?—About 5s. 6d. f.o.b. That is the price we require in order to give the sawyers a living.

8. Do you do any export trade in red-pine?—We have sold some; but we cannot get anything for it. I have sold about 20,000ft. during the past six months at 6s. 9d.

9. Do you use it for furniture?—We have not tried it for that. We are sending Home 300,000ft. to 400,000ft. of assorted timber, by the "Rangitikei," to London, for block-paving purposes.

10. Is your white-pine grown on the flat or on terraces?—It is all terrace timber.

11. *Mr. Stevens.*] I suppose there would be ten times the quantity of New Zealand timber exported to the Australian Colonies that there would be of Australian timber imported here?—There would be twenty times as much.

12. Can you give any reason why imported timber which is squared or hewn should not pay the same duty as sawn timber?—No. I suppose the former is the means of labour being employed to dress it. I can see no other reason. I believe if we sent our timber to New South Wales in 5in. flitches it would be allowed in duty-free. The American timber would be the only timber we should have to compete against if the duty were removed. I mean American soft pines.

13. What is the freight on timber from here to Victoria?—The average freight is 2s. 9d. I was offered the other day freight at 2s. 3d.

14. *The Chairman.*] Do you object to your name being published in the papers?—No.

(2.) Deputation from the Watkins Prize Medal Trustees (Hon. J. Kerr, M.L.C., and Richard Nancarrow).

15. *The Chairman.*] I believe you gentlemen wish to represent some matter in connection with the duty levied on medals imported by the Education Board?

Hon. Mr. Kerr: Yes. Some years ago a subscription was made up in Greymouth to send Home a much respected minister named the Rev. Mr. Watkins. In the meantime the old gentleman died, and the amount subscribed was invested for the purpose of founding a medal to be competed for annually by the children attending the Greymouth State school. We endeavoured to get the medal struck in the colony, but we could not get the work done satisfactorily, so we had to get it struck in England, and we have to pay an import duty of £1 5s. on a medal costing £5. Seeing that our funds are limited, and that the prize is given in the interests of education, we ask that this duty should be abolished.

16. *The Chairman.*] Are these medals given to the pupils of all the State schools in Westland?—To the Greymouth State School only.

Mr. Nancarrow: I indorse the statement made by the Hon. Mr. Kerr.

17. *Mr. Hutchison.*] At what towns did you try to get the medal struck?

Mr. Nancarrow: Wellington.

Mr. Hutchison: I am satisfied you could get the work done in the colony, and it is a pity you did not try other towns.

18. *Mr. McGowan.*] How long ago did you start giving these medals?

Mr. Kerr: Since 1879.

19. Do you not think that there is sufficient improvement in the art of engraving in the colony since that time to enable the medals to be produced here?—We had two or three struck here, but we found they were not so well done as the imported ones, and we commenced sending Home in 1881 or 1882.

20. *The Chairman.*] Do you object to the fact being published that you have appeared here?—No.

BRUNNERTON.

Wednesday, 27th March, 1895.

Thomas Bland, Mayor of Brunnerton, and James Bishop, Manager of the Grey Valley Coal Company, attended as a deputation from the Brunnerton residents interested in the coal trade.

Mr. Bland: The company have 250 men and boys engaged in the coal industry and in the making of bricks. At a meeting of the Borough Council last evening Councillor Dunnie, Mr. Bishop, and myself were appointed as a deputation to wait on the Commission and try and bring

under your notice the advisability of placing an import duty on foreign coal. As Mr. Bishop is the most conversant with the matter, I will ask him to state his views.

Mr. Bishop: I have had a very considerable experience in the coal trade. I have been here thirteen years, and have noticed that the development of coal-mining in this colony has been an uphill fight. Large sums of money have been spent by the Government in trying to develop the coal-mines of this coast. The colony's requirements amount to something like 800,000 tons per annum. We have an import from Newcastle of 120,000 tons, leaving the colony to supply the remaining 680,000 tons. The West Coast mines have raised, according to the latest available statistics, 364,456 tons (yearly output 1893), over half of the total output, the balance being produced from the lignite and brown-coal mines: of these, there are about 150 on the register. The bulk of the quantity just named was produced from the mines of the Westport Coal Company and the Grey Valley Coal Company; Mokihinui, Cardiff, and Blackball Mines, being then in their initial stage, produced amongst them 6,651 tons. These mines are now fully opened and competing for their full share of the colony's requirements, and in a few months it is expected that the Westport Coal Company will have their Granity Creek Mine at work, so that the capacity of the West Coast mines may be put at over 1,000,000 tons annually—a quantity far in excess of the total requirements of New Zealand. With such figures before us, and with the experience of the keen competition now existing, I have no reason to think that the placing an import duty on coal would cause increased price to the consumer; and I think, if we can supply the coal without this increased price to consumers, we have a right to expect to wholly supply the colony's requirements. At present we are heavily handicapped with the coal imported duty-free, and the mines are not working half-time.

1. *The Chairman.*] What do you think would be a sufficient duty to stop the import of foreign coal?—Nothing less than 5s. per ton.

2. Is not a large quantity of Newcastle coal brought to the colony as ballast?—That is so.

3. Do you think a duty of 5s. a ton would generally check this?—I think so.

4. Suppose a duty of 5s. per ton were put on Newcastle coal, would it not have the effect of raising the price of coal to consumers in the colony?—I think not; otherwise I should not ask the duty to be put on. I think that competition within the colony would effectually stop any increase in the prices at present existing.

5. What steps could be taken to prevent a ring being formed amongst mine-owners?—As to that, I do not see any chance of such being formed; at present there is a very keen competition among the mine-owners of this coast, and, although the stoppage of the import of coal would benefit the mine-owners and workmen to some extent by giving more work at the mines, it would not materially lessen the competition, as is shown by the figures bearing on the capacity of the mines now opened, and in course of being opened; indeed, it may be said that coal-mine development is now fully fifteen years in advance of the requirements of the country. The coal now imported is mainly brought into the colony by the coal-merchants, and, being connected with the trade, they have the same chance of disposing of it as the mine-owners, and without the risk incurred by those engaged in coal-mine development.

6. Then, you do not think it would affect the question of price?—I think not, but it would give more work to our mines. What we are suffering from now is want of work. Our mines are only working two days a week, and an extra output of 120,000 tons per annum would be a help.

7. What amount of coal could the mines put out per annum?—1,500,000 tons—that is, from the mines on the register—upwards of 150.

8. I notice in connection with the work here you have another industry—viz., the manufacture of firebricks. On a former occasion representations have been made to us that, in the event of a duty being placed on cement, bricks might be imported as ballast to take the place of cement. Would you approve of the suggestion that a duty should be placed on bricks, to prevent their being imported in the manner suggested?—Yes, we make quite as good a brick as any that can be imported.

9. What is the cost of hewing the coal here?—The actual hewing rates vary from 2s. 3d. to 2s. 8d. per ton; but there are other items of labour also connected with hewing: these are yardage paid for driving narrow places, special timbering, &c. There is also loss in weight due to unmarketable small coal, &c.: these run the cost up to 3s. 3·23d. before the coal leaves the hands of the hewer; other labour charges make up 2s. 3·76d.; stores cost 5·39d.; or a total of 6s. 0·38d. labour charges. Other charges at this end are 1s. 10d. railage, 6d. royalty, 6d. depreciation, and sundry small expenses, including Miners' Accident Fund, shipping-office charges, management, &c., 3·32d., making up a total of 9s. 1·7d. f.o.b. at Greymouth.

9A. And the freights?—These are: to Wellington, 6s.; Lyttelton, 7s.; Dunedin, 8s.

10. What is the freight from Newcastle to Wellington?—I have heard it is 5s. a ton, but cannot say if this is correct; if so, it would be accounted for by the ships carrying cargo from New Zealand to Australia, and returning with coal as back freight. The freight from New Zealand to Australia would be greater.

11. *Mr. Stevens.*] Supposing the House thought fit to impose a duty on imported coal, and it was then found that a ring had been formed amongst mine-owners, could it not be left to the Government to remit the duty if it was shown that any ring was formed within the colony for the purpose of keeping up the price of coal?—Yes, I should be quite agreeable to any such arrangement.

12. *Mr. Hutchison.*] What is the cost of the coal to you?—6s. 6d. per ton at the mine-mouth, or 9s. 1·7d. f.o.b. at Greymouth.

13. How often do you make up the return?—Fortnightly; after the pay.

14. What does it cost to take coal to Greymouth?—1s. 10d. per ton.

15. What is the freight to Lyttelton?—7s. per ton.

16. Is it not the Union Steamship Company that takes all the coal away?—Yes.

17. What does the company charge for freight?—To Wellington, 6s. per ton; Lyttelton, 7s. per ton; Dunedin, 8s. per ton.

18. Is there any competition in the shipping against the Union Steamship Company in taking away the coal?—No; and, in my opinion, it would be difficult to induce competition. The harbours of this colony require those engaged in the coal trade should have command of vessels of very varying tonnage, and in being connected with the Union Steamship Company we have placed at our service vessels the most suitable for the varying requirements of our trade.

19. Is your company connected with the Westport Coal Company?—Yes; the Westport Coal Company are the owners of half these mines.

20. Have the Union Steamship Company any interest in this property?—Yes; the Union Company own one-fourth of the mines.

21. Do you know how the coal is sold after it reaches Lyttelton?—When the coal reaches Lyttelton I have no knowledge of its manipulation. I may say we are quite prepared to sell all our coal at £1 per ton, screened; unscreened and small, at proportionately smaller prices, *ex* ship.

22. Would you consider £1 10s. a high price for coal?—It does seem high, but I do not feel competent to express a very decided opinion on this part of the subject. I may say, however, that it is easy to run up a cost of 10s. a ton in the handling of coal, more especially if there is railway freight, as between Lyttelton and Christchurch.

23. Then, £1 18s. would be a very high price?—Yes; but this must be a very extreme rate. The average may be stated as much less.

24. Then, where do the profits go to?—I cannot say, as I am done with the coal when it leaves here. The prices given are those at which the mine-owner can sell *ex* ship. I presume the middleman has some profit.

25. *Mr. McGowan.*] There is just one question: the cost at which the company would be prepared to deliver coal at Wellington would be £1 or under?—Yes.

26. And it would be higher to take it to Auckland?—It would be, a little, but not much.

27. If they used Newcastle coal in Auckland, and a duty was put on the imported coal, then, with the higher price for freight from the West Coast coal-mines, the Auckland people would have to pay a higher price for their coal than they do at present?—That is so.

28. That is what I want to ascertain. Then, if there is an additional cost between the foreign coal landed in Auckland and the colonial coal landed there, the Auckland people would be compelled to pay that additional cost?—I presume so.

29. *Mr. Mackenzie.*] What do you say you pay for hewing?—3s. 3¼d. per ton of coal delivered. The hewing rate is higher here than at Newcastle. The rate also for other classes of labour is very much higher.

30. What is the royalty?—I cannot say how much the Newcastle mine-owners pay in royalty, but presume when such is paid it is similar in amount to ours; but in every case of comparison of wages the difference is very marked in favour of the Newcastle mine-owners. Workmen paid by us 12s. receive 8s. in Newcastle; workmen paid by us 9s. receive 6s. in Newcastle. And then there is a very large saving in the cost of railage in favour of the Newcastle mines. Comparing the rates we have, on the Grey-Brunner Railway is a tariff of 2¾d. per ton per mile; in New South Wales the charge is about 1½d. With a tariff of 1½d. we should save 10d. a ton on all coal forwarded by rail.

31. The Newcastle coal is sold for 7s. a ton less than your coal at Oamaru: is that so?—I am not aware of the prices ruling in the various centres; but, if Newcastle coal is sold so much under native coal at the place you name, it may to a very considerable extent be accounted for by the difference in wages, lower railage, and shipping freights, to which I have referred.

32. By getting the protection you ask for it is manifest that you would charge a higher price to consumers?—I do not see that such is at all manifest. The position the coal trade has been forced into by over-development is sufficient guarantee that prices will not be increased.

33. If you get what you ask for, would the lowering of your price then not be due to the lowering of wages?—I cannot see any probability of such being the result. The probable result would be to increase wages. It would certainly give more work to our miners, and their gross earnings would be considerably more than now; and there also might be a probable reduction in the price of coal.

34. But, then, if you take off that extra cost to the consumer, what is the guarantee that it will continue?—I admit there is a difficulty about giving guarantee about anything of this kind. To my mind, the best possible guarantee has been given in the amount of over-development which has taken place.

35. It appears to me that your coal is placed on the ship reasonably enough; but the subsequent charges levied by the middlemen are altogether too high, and that your efforts should be directed to removing these unreasonable charges rather than to demanding protection against imported coal, the only effect of which would be to play into the hands of the middlemen, and keep the prices high?—I am ready to admit that to place a tariff on coal, as suggested, has the appearance of playing into the hands of the coal-merchant; but it is not an insuperable difficulty. The running-up of prices could, in my opinion, be best prevented by the mine-owners keeping the retail business in their own hands. It must be understood that much of the West Coast coal is supplied under contracts, which are competed for annually; the competition shows that prices are steadily declining.

36. *Mr. Tanner.*] In what way does the coal reach the East Coast from the West Coast mines?—It is conveyed by the Union Steamship Company's steamers.

37. Is it purchased by the Union Steamship Company?—They have a share in part of the mine. Coal is purchased by them when required for their own steamers. The bulk they carry for delivery in fulfilment of our contracts with railways, shipping companies, gasworks, &c.

38. And is the coal consigned to certain persons for sale?—Yes; a portion of our output goes to agents for sale.

39. And do they place it in the hands of one or two persons for sale at the different ports in the colony?—I cannot say how the agents dispose of what passes through their hands.

40. In fact, they have their agents, and the coal is sent to one or two persons in any particular ports of the colony, to the exclusion of all else, and that the public must purchase through these people or not at all?—I believe the coal is sent to agents who are also agents for other coal.

41. Is it not a fact that all of the coal sent to Lyttelton is sent to a Mr. McClatchie?—As I understand it, this does not apply to all the coal we send to Lyttelton, but only such as must pass through the agent's hands for retail.

42. And that coal in Christchurch cannot be procured except through him?—Yes, I understand that is so, and it does not seem to me that the arrangement is one calculated to promote the object we have in view—namely, the development of the native mines and the disposal of the product. I am of opinion that persons who import and sell foreign coal should not be our agents.

STATEMENT showing the amount which would be put in circulation annually as the result of the additional work due to the stoppage of the import of coal: Wages, 120,000 tons, at 6s., £36,000; royalty, at 6d., £3,000; railway haulage (approximately), £12,000; shipping freight (say, average 7s.), £42,000: total, £93,000. A very large portion of the above amount would be spent in the payment for labour in connection with mining and handling the coal. There are other charges, such as wharfage and handling at the several ports, which are not noticed, as they apply equally to coal imported from outside New Zealand.

NELSON.

MONDAY, 1st APRIL, 1895.

(1.) WILLIAM HOULKER examined.

1. *The Chairman.*] What are you, Mr. Houlker?—A vinegar- and shot-manufacturer. I have been some years in business in Nelson, and employ five hands. The wages run from £1 10s. to £2 8s. per week. One boy receives 12s. a week.

2. Will you kindly state the matter you wish to bring before the Commission?—The present duty of 1½d. per pound on acetic acid causes a considerable loss to the revenue. One pound of strong acid will make 2 gallons of vinegar, which will have paid a duty of ¾d. per gallon, instead of 6d. per gallon, which would have to be paid if imported as vinegar. Considering that the entire manufacture consists in simply mixing the acid with water and a little burnt-sugar colouring (an operation which employs no labour to speak of, and uses nothing produced in the colony), it is difficult to see why the duty should not be more in accordance with the duty on vinegar. I have been engaged in manufacturing vinegar for some seven years by brewing and fermenting malt in the same manner as the best English vinegars are made, an industry which directly, and still more indirectly, causes much labour to be employed in comparison to the value of the article, and uses New Zealand products—grain, coal, &c.; but the competition caused by the numerous firms who turn out vinegar by simple mixing of acetic acid makes the business unremunerative. To make fermented vinegar a large plant and skilful workmen are required, and it is impossible under these circumstances to compete with persons who require neither the one nor the other, and who can import what is practically the finished article almost without duty. In Victoria the vinegar duty is the same as in New Zealand—viz., 6d. per gallon—but the duty on acetic acid is double—that is, 3d. per pound—and if the duty here were raised to 3d. per pound consumers of vinegar would get a much better article, and the revenue would gain considerably.

3. Is there any difference as between the acetic-acid vinegar and the malt vinegar in regard to wholesomeness?—If the acetic acid were pure I do not think that there would be any difference, but there is such keen competition that any kind of acetic acid is imported and the vinegar made from it is decidedly unwholesome.

4. *Mr. Stevens.*] Have you any knowledge of the fact that vinegar is largely made from acetic acid?—Yes; nearly all the colonial vinegar is made from it, and the colonial pickles are made with that kind of vinegar.

5. In pickle-making, is it not necessary to have acetic-acid vinegar as well as malt vinegar?—Perhaps a mixture of the two is required.

6. Therefore, if a higher duty were imposed on acetic acid, would that not somewhat retard the manufacture of pickles in the colony?—I do not think so. I think that it would be an advantage, as you would use a better class of vinegar. You can scarcely get a colonial pickle that has not a chemical smell about it.

7. Does that apply to the pickles manufactured by Hayward and Co., Christchurch?—I would not like to say.

8. Generally, you think that the colonial pickles are not equal to the imported?—Yes.

9. And is that the only reason why they are not equal?—I think so.

10. What vinegar do the English manufacturers use in the preparation of their pickles?—They use either the very good acetic acid or else the fermented vinegar: the stronger the acid is the better. By putting on a higher duty it will be imported better, because the manufacturers cannot concentrate it without purifying it.

11. Is the weaker kind of acid so inferior as to make pickles unwholesome?—I should think so.

12. And the stronger kind of acid might make them the better?—Yes; the acid would be pure. In the process of concentration it gets purified.

13. *Mr. McGowan.*] Can you manufacture your malt vinegar with the prices that are going at a profit?—No.

14. What would be the difference between the price that you require for your vinegar in order to make it pay you and the price of some known brand of vinegar, such as Champion's?—I can never get the price they get.

15. What would be the price you would want to enable you to produce an article somewhat similar to theirs?—I think that I do produce as good an article.

16. What is your price?—I can produce it at 1s. 3d. a gallon, pure malt vinegar, casks included.

17. *Mr. Hutchison.*] Why should you manufacture this malt vinegar at all if you cannot make anything on it, and if the acetic acid makes a vinegar that suits the people?—Because I have a very large plant.

18. If the acetic acid will produce vinegar that the people use and seem to find no fault with, is it not not a pity to make this dearer kind of vinegar?—It evidently does not suit them, or else there would not be £2,000 paid in duty on imported vinegar. There are so many colonial makers making vinegar from acetic acid that one man is lost. All these people sell their vinegar as malt vinegar.

19. If it is not unwholesome, and it suits the palates of the people, why trouble about that?—Because I have a lot of money invested in the malt vinegar, and must keep going.

20. *Mr. Mackenzie.*] The reason that you want the duty is because you want to supply a wholesome vinegar?—Yes.

21. And, as a matter of fact, the impure acetic acid used in the other vinegars renders it unwholesome?—Yes.

22. *The Chairman.*] What is the other matter you wish to mention?—The adjustment of the duty on sporting cartridges. Taking the value of 1,000 loaded shot-cartridges at £3 5s., the duty under the present tariff rate of 15 per cent. would amount to 9s. 9d. If the powder, shot, and caps to load these 1,000 cartridges were separately imported the duties would be as follows: Powder, 12lb., at 6d., 6s.; shot, 70lb., 6s. 3d.; caps, 1s.: total, 13s. 3d. This shows a difference in favour of foreign labour of 3s. 6d. per 1,000. I would suggest that an *ad valorem* duty of 35 per cent. be imposed on the imported loaded sporting cartridges. As a manufacturer of shot, under the present conditions I do not get a fair chance of competing for a share of this business.

23. Do you make shot equal to the imported?—Better.

24. *Mr. Mackenzie.*] Would it not suit your case if the duty were brought down to a level with the 9s. 9d. representing the duty on the 1,000 imported loaded carriages?—I do not think that that would be any protection.

24A. Do you use imported lead?—Yes; pig-lead.

25. Will the result of the protection you ask enable you to compete against the imported article?—Against the imported cartridge.

26. The result of that would be that people buying cartridges would have to pay more for them?—They might have.

27. *Mr. Stevens.*] How much shot do you make in a year?—Fifty-two tons.

28. If the duty were raised to what you required, how much greater would your output be?—I do not suppose that it would be very great; perhaps 15 tons more.

29. Are there any cartridge-manufacturers in the colony?—In Auckland.

30. Are they the only makers?—Yes.

31. *Mr. Mackenzie.*] What powder do you use?—I do not make the cartridges. It is cheaper at present for an ironmonger to import his cartridges loaded than to make them up in the colony, because they come in at a cheaper rate of duty than the powder and caps.

32. *The Chairman.*] Do you object to your name being published, or the subject you have brought before us?—I should not like anything mentioned about it.

(2.) John Avery examined.

33. *The Chairman.*] What are you, Mr. Avery?—I am here as the president of the Nelson Fruit-growers' Association, and on behalf of the fruit-growing industry I ask for an increased duty on fresh fruit, fruit pulp (in juice or syrup), and on desiccated or evaporated fruit. In the Waimea County alone there are 1,091 acres in orchard; including the quarter-acre sections and under, it would amount to 1,200 acres that are in fruit, capable of producing at least 250 bushels to the acre, or a total of 300,000 cases, reckoning 44lb. to the case. It means a total of 13,000,000lb. of fruit that could be raised in this county annually. Owing to various circumstances the fruit-growers are so disheartened that they have neglected their orchards, with the result that they are only producing 100,000 cases annually instead of 300,000. Valuing each case at 5s., the amount realised is only £25,000, as against £75,000. I understand that £100,000 is sent out of New Zealand annually for fruit that we could produce here, and with a little more encouragement, if our orchards were properly attended to, I have no doubt that we could make up the other £50,000, and in a few years double the amount. One of the chief drawbacks to the progress of the fruit industry in the colony is the enormous importation of fruit from the Australian ports, accompanied by the insect-pests. In some cases a single shipment amounts to six or eight thousand cases, much of it in a half-rotten state, and unfit for human food. I am told that if this fruit is condemned it is simply thrown overboard, to be washed about by the tide, and eventually washed on to our beaches. I therefore ask for the total prohibition of the imported fresh fruits from countries infected with the insect-pest. Another matter which disheartens the colonial fruit-growers is the likelihood of legislation being passed to compel them to clean their orchards, this being an impossibility while infected fruit is allowed to be imported. We also ask for the more rigid inspection and destruction of imported fruit where it is found to be infected. With respect to the imported fruit, the New Zealand growers are labouring under additional disadvantages in the matter of freight—for instance, fruit is

shipped from Australian ports to Wellington at one-half the freight that is charged from Nelson to Wellington. The wharfage is a local matter. In the case of the Nelson fruit exported from here by railway it is carried by weight, forty cases to the ton, and as soon as it arrives on the Nelson wharf wharfage is charged upon it upon measurement, although it is still in the hands of the Railway Department; consequently the wharfage is doubled. The Nelson wharf is worked in connection with the railway.

34. Then, it is the Government administration that you complain of?—Yes. I think that the wharfage should be charged upon the weight, the same as the railage.

35. You ask that there should be absolute prohibition of the importation of fresh fruit?—From countries infected with injurious diseases.

36. Supposing that a country had a clean bill of health in regard to its fruit, would you be content that its fruit should come in under the present duty?—No. I ask that the duty should be increased from ½d. to 1d. per pound.

37. Supposing your recommendations with respect to fruit imported from infected countries were agreed to, do you not think that there should be some regulation to compel our local fruit-growers to keep their orchards clean also?—Yes, most decidedly; but I think such a regulation should be brought into operation by degrees.

39. *Mr. Mackenzie.*] What fruits do we import now from Tasmania?—Apples, plums, and pears, principally.

40. Do you mean to say that you cannot compete in this colony with the imported plums and apples?—If we had fair-play we could.

41. What do you call fair-play?—I refer to freight, which is only half from Australia to New Zealand what it is from Nelson to Wellington.

42. How is that?—On account of the steamship competition, and the quantity that the Australian shippers are prepared to send.

43. Have you represented to the steamship companies the difference in the freight?—Yes, and the company has reduced the freight between Wellington and Nelson from 6d. per case to 4½d. for one-ton lots. The freight from Australian ports to Wellington is 3d., I believe, but in a small district like this we cannot reap the advantage of the reduction, because our shipments are generally under one ton.

44. It seems to me that you are not producing enough here to make it worth the company's while to bring down the freights?—We are not likely to produce it unless there is some encouragement given. This season growers have had to make a refund on account of their sales.

45. Coming back to the question of shipping charges, you know that the Australian exporters of fruit labour under disadvantages that you do not labour under. A large proportion of their fruit gets rotten before it reaches Wellington. You know that, I suppose?—They injure us without benefiting themselves.

46. For a case valued at 4s. it costs 3s. 4d. charges to land it in this colony, and do you mean to say that in the matter of apples and plums and pears, with the present protection of ½d. per pound, you cannot compete against the Australian fruit?—No. We might compete against them in a few years, provided that the industry were encouraged, so that people would go into it on a more extensive scale.

47. Do the people here go in for fruit-growing thoroughly as an occupation?—Not in many cases.

48. Can you tell us what it costs to grow a pound of apples or plums?—No.

49. Then, it is really a jump in the dark on your part asking for more protection. A farmer knows what it costs him to grow a bushel of wheat?—That is a different matter: wheat-growing is not so precarious as fruit-growing.

50. It appears to me from your evidence that it is impossible for a fruit-grower here to grow his fruit and sell it under 2d. per pound?—He wants as much as he can get.

51. Do you not think that the people who consume the fruit in large quantities should be considered also?—Certainly. We do not lose sight of that; but there is such a difference now between the price the grower gets for his fruit and what the consumer has to pay. In this district there are no less than four middlemen sometimes employed between the grower and the consumer, so that if the industry were encouraged it would be carried on to a larger extent, and a better system would be adopted in the disposing of the fruit.

52. Do you not think that the failure of the industry arises from the fact of the people going into it in a very half-hearted manner?—There is so little encouragement to them to take it up.

53. Surely ½d. per pound is a good enough protection, and I have shown you that there are so many other charges that the Australian producer has to provide against in shipping here?—I do not think that it is our business to encourage industries in other countries, or to cut down our own industry to suit them.

54. *Mr. McGowan.*] Is it not true that a great deal of your trouble arises from the fact of each fruit-grower sending his fruit to the market at the same time as his neighbour?—That is a matter which might be rectified if the industry were made more of.

55. And the fact is that now you have sometimes to pay money besides losing the fruit when the market is glutted; yet, in the face of this fact, fruit is still sent over to the market?—Yes.

56. Well, in such a case, the people cannot expect fair or remunerative prices; but if the present duty on imported fruit were doubled, would not the effect be to increase the cost of fruit to the buyer?—Not perceptibly.

57. Do you not think that an increased duty on the imported stone-fruit would interfere with our jam-preserving?—Certainly not; it would stimulate the industry, as there would be a larger quantity of fruit grown locally; and it would also mean the withdrawal of a quantity of fresh fruit from the market.

58. Is New Zealand in a position to supply all the fruit required for jam-making in the colony? —There is only one factory here, and it is overstocked as regards certain kinds of fruit; but as regards the small fruits the supply is insufficient.

59. And these have to be imported?—Some are imported.

60. Would not a duty on those fruits that the Nelson people cannot supply mean an increased price for the jam?—We could produce a sufficient quantity if the industry were encouraged more.

61. I suppose you mean if you received a bigger price for your fruit?—I mean to convey that if the growers had sufficient inducement to pay more attention to the industry they would lay down larger areas, both in small and large fruit.

62. But in the meantime the increased duty would mean an increased cost to the consumer, would it not?—Unless we produced more, undoubtedly it would.

63. *Mr. Stevens.*] If you had this duty of 1d. per pound on the imported fruit that could be grown here, what do you think would be the annual output, say, in five years' time?—I could not say: an orchard that has been planted ten years will produce 250 cases to the acre. I think that the quantity could be doubled in six years.

64. Where would you find a market for the fruit if the output were doubled?—I think that there would be a sufficiently good market in the colony, because larger quantities would be consumed and dried, both for exportation and for home consumption.

65. Where would you export the dried fruit to? Would you find a market in the Australian Colonies?—I think not.

67. Does the Nelson jam-factory obtain a sufficient supply of fruit in the locality?—Not in the small fruits, such as strawberries, currants, and raspberries.

68. Where is the balance of the small fruit that is required imported from then?—I do not think that we import very much.

69. How much per pound does the factory give to the growers?—I think, 2½d. per pound for the strawberries and raspberries.

70. If there is such a demand for the small fruit, and so scant a supply, could you not extend the growing of the small fruit, for which you have a ready market, instead of going in for the apples and plums, for which there is no market, comparatively speaking?—Some are rather disinclined to go into the small-fruit-growing on account of the drawbacks of the insect-pest and the trouble in picking the fruit.

71. Does the factory import pulp for jam-making?—Yes.

72. You have no fear that if the duty were raised such a quantity of fruit would be produced locally that the market would be glutted and fruit-growing rendered unprofitable?—No.

73. Do you mean to say that the fruit-growing industry is carried on in this province in a careless way, and that the people do not take the trouble to keep their orchards clean?—Yes.

74. You ask that fruit imported from infected countries should be absolutely prohibited?—Yes.

75. What advantage would it be to the community to prohibit the importation of infected fruit while their own orchards were not kept clean?—No doubt there will be legislation enacted to compel our growers to clean their orchards.

76. Did I understand you to say that the fear of legislation which would compel the cleaning of orchards acted as a deterrent upon growers at the present time?—Yes.

77. Have you ever tried evaporating fruit?—Slightly.

78. Has it been generally tried here?—No.

79. You are doubtless aware that there is a duty of 20 per cent. on imported preserved fruits? —Yes.

80. Is not that duty sufficient to induce the Nelson producers to go in for preserving fruit during the glutted portion of the season?—That is what the Government are now advocating, and I think that they will succeed. The department is issuing information with regard to the destruction of the different pests, and I think a great impetus will be given to the fruit industry.

81. You spoke of a number of middlemen who make a profit on the handling of the fruit. Has no attempt been made to establish some sort of co-operative system by which the supply can be regulated?—No.

82. Does every man send his fruit to the market at the time he thinks fit?—Mostly.

83. Is such a state of things likely to encourage the fruit industry?—No.

84. *Mr. Hutchison.*] Do you think that you made it quite clear to Mr. Mackenzie about the reduction of the freight? I understand that the men who have the small sections could not possibly take advantage of this ton reduction, as they have not a ton to send away at a time. I suppose, if the industry were encouraged, that there would be quite a number of people taking up holdings of 4 and 5 acres, and going in for fruit-growing?—Yes, that would be quite enough. I am a grower, and in favour of small areas.

85. And then, as a rule, they would be able to take advantage of this ton reduction?—Yes.

86. How does it occur that, although you are shipping so much fruit to Wellington, you do not supply Nelson itself?—Nelson is fully supplied.

87. I am speaking of the big fruit. You are importing large quantities, I think?—Only in the winter time, when the local fruit is done.

88. Do you get fruit from Australia at an earlier period than you can produce it here?—Yes, about a month or six weeks before our fruit comes in. That is a great drawback to us. The Australian season is earlier than ours, and their fruit comes into the market before ours is ready, and then when our season commences the market is glutted.

89. But would it not be rather hard to keep people from getting this fruit which is earlier than ours? If people want the fruit so much earlier, and are willing to pay the extra 1d. to obtain it, why should not they have it?—Yes.

91. Is there an industry here in box-making?—I have a small factory for making boxes.

92. What timber do you use?—White-pine, which is the best timber we have here for the purpose.

93. *The Chairman.*] We understand that you do not complain of the amount of the present duty of 20 per cent. on the imported preserved fruits?—No.

94. Are you satisfied with the duty of 2d. per pound on the dried fruits?—Yes.

95. Are you satisfied with the duty of 20 per cent. on the bottled preserved fruits?—I think that the duty should be 2d. per pound.

96. *The Chairman:* You made a statement with regard to the treatment by the Customs of infected cases of imported fruit which Mr. Glasgow would like to refer to.

97. *Mr. Glasgow.*] I gather from Mr. Avery's remarks that he was under the impression that a large quantity of fruit infected with the codlin-moth was being landed: Is that so?

Witness: Yes.

98. *Mr Glasgow.*] Is that only an impression, or have you any real knowledge of the facts?—I have not actually seen it myself, but I know that it is the fact.

99. What do you base your knowledge on?—From information I got from Wellington.

Mr. Glasgow: I might say that the Customs officers take very great care in this matter. Each importer's fruit is examined, and if even a few apples are found to be infected the whole shipment is condemned, and I do not think that much fruit infected with the codlin-moth passes the Customs officers. In consequence of the rigorous action taken by the department the Union Company refuses to ship fruit at Hobart if it is not guaranteed to be free from the moth, and, as a matter of fact, the shipments from Tasmania have decreased very much since the prohibition came into force. With regard to the destruction of the fruit when condemned, if the cases have actually left the vessel they are sent to the destructor in Wellington. If they are found to be infected on board the vessel, and have not been landed, all the department can do is to say that they shall not be landed.

The Chairman: Then they would be jettisoned at the first convenient opportunity?

Mr. Glasgow: With regard to the jettisoning, if, say, a hundred cases of apples are only slightly affected, the Union Company take them back to Tasmania again.

(3.) John George Lethaby examined.

100. *The Chairman.*] What are you?—An umbrella-manufacturer, in business in Nelson, Westport, and Greymouth. Besides my own family of five adult persons I at present employ two hands, and they earn about 18s. a week. I also supply material to my brother at Palmerston North.

101. What matter do you wish to bring before the Commission?—We ask that the following duty be put on umbrellas imported: On 8-ribbed cotton umbrellas, 12s. per dozen; on 10-ribbed cotton umbrellas, 15s. per dozen; on 12-ribbed cotton umbrellas, 18s. per dozen; on 16-ribbed cotton umbrellas, £1 4s. per dozen; on 8-ribbed woollen-mixture umbrellas, 18s. per dozen; on 10-ribbed woollen-mixture umbrellas, £1 1s. per dozen; on 12-ribbed woollen-mixture umbrellas, £1 4s. per dozen; on 16-ribbed woollen-mixture umbrellas, £1 10s. per dozen; on 8-ribbed silk or silk-mixture umbrellas, £1 10s. per dozen; on 10-ribbed silk or silk-mixture umbrellas, £1 16s. per dozen; on 12-ribbed silk or silk-mixture umbrellas, £2 2s. per dozen; on 16-ribbed silk or silk-mixture umbrellas, £3 per dozen. We also ask that the materials for making umbrellas in New Zealand be allowed to land free—namely, all kinds of fittings, such as steels, sticks, patent frames, runners, notches, caps, ferrules, splicing-tubes, and all stick-mounts that may be required; and also material (woollen and silk mixtures, and cotton) for covering all widths. In case of material for covering all widths coming in free of duty, we would be willing (before the material was clear of the Customs, if we were allowed to have it in our possession one day—not counting holidays or Sundays—and in quantities of one hundred yards) to split it up into the widths required and hem on both sides (to make it of no use for any other purpose but umbrella-making), and present to the Customhouse officer for him to pass.

102. Could the articles you mention be readily distinguished from similar articles imported by the drapers?—Yes.

103. *Mr. Mackenzie.*] What is the invoiced Home cost of an ordinary 8-ribbed umbrella?—A decent article in cotton would be about 2s. 9d. or 2s. 10d. in a ladies' size; for gentlemen's it would run about 4s., with a paragon frame.

104. Taking the common imported ones, what are they?—There are lines invoiced in ladies at about 13s. a dozen.

105. Then, your proposal is equivalent to 100 per cent. protection on such a line?—Yes. We want to abolish this class of goods, as they are no good.

106. What would an 8-ribbed woollen-mixture umbrella cost at Home?—A medium quality article would cost £2 8s. a dozen. I will give you the value of the materials. A 22in. Fox's frame is 9s. a dozen; the brass fittings would run to about 2d.; handle 1s. Diagonal cloth of good quality is worth 10d. a yard (it takes 2 yards to cover an umbrella); and the labour has also to be reckoned.

107. What is the price of ladies' silk or silk-mixture umbrellas at Home?—They are retailed here at 12s. 6d. and 13s.

108. I might say, regarding silk and silk-mixture umbrellas, that your quotations are altogether outside the prices charged in New Zealand for common umbrellas. Are you quoting for good silks?—No. I have silk on my list which runs up to 6s. 6d. a yard.

109. What percentage on the cost of these goods do you want put on by way of duty?—On inferior goods we want a duty of cent. per cent., but on other articles a duty of 2s. 6d. each 8-ribbed umbrella.

110. Consequently the low-priced woollen- and cotton-mixture umbrellas would be made dearer to the buyer?—No; they would be made cheaper, because the local competition would keep the prices level.

111. As a matter of fact, none of the material you use is produced in the colony?—No.

112. And you want this in free?—Yes.

(4.) JOHN CHARLES MERCER examined.

113. *The Chairman.*] What are you, Mr. Mercer?—A cycle importer and manufacturer.

114. How long have you been in business here?—Eleven years.

115. Do you employ many hands?—Two generally.

116. Are they fully employed regularly?—We are not working full time at present.

117. What wages do they earn when working full time?—1s. 3d. and 1s. 3d. an hour.

118. What is your annual output in machines?—Last year I imported and made about 140 machines.

119. How many did you make?—About ten.

120. What do you ask?—I ask that rubber tires should be admitted free, and that the present duty should not be increased on the finished machines we import.

TUESDAY, 2ND APRIL, 1895.

(5.) SAMUEL KIRKPATRICK examined.

121. *The Chairman.*] You appear on behalf of the firm of Kirkpatrick and Co., jam-manufacturers?—Yes.

122. Would you mind giving us some particulars as to the extent of your industry, the number of employés, and so on?—We employ from twenty-five to thirty hands during the fruit season. We are starting meat-preserving at Blenheim, and I am sending some of my hands there, keeping seven or eight here. I do not wish my evidence reported in the papers.

123. What do you wish to bring before us?—Under the present tariff fruit pulp is dutiable to the extent of 1½d. per pound; but fruit preserved with sulphurous acid is admitted at a duty of ½d. per pound. Both these classes of fruit are used in jam-making, and we think that the fruit preserved with sulphurous acid should bear the same duty as fruit pulp. A duty of ½d. per pound is also levied upon imported fresh fruit—apples, pears, cherries, peaches, plums, &c.; but the small fruits, such as currants, raspberries, gooseberries, and strawberries, are exempt from duty, as they are imported in a preserved state: a little sulphurous acid is put on them to preserve them until they arrive in Dunedin.

Mr. Glasgow: When this fruit arrives at Dunedin it is alleged to be fresh fruit, consequently we are unable to charge duty upon it. We have reason to suspect that the fruit has been subjected to a slight process of sulphuring in Hobart; but the importers deny that this is the case. In item 901 of the tariff all fruit not specified there is free of duty. The Collector at Dunedin has this season been instructed to insist upon the payment of duty upon this class of fruit until he receives an affidavit from the shippers in Hobart that it has not been subjected to any process of sulphurisation.

Mr. Kirkpatrick: The fruits that should be removed from the n.o.e. fruits are currants, gooseberries, strawberries, and raspberries, as at present they pass as fresh fruit. At present very large shipments of fruit are imported from Australia, and the local growers are disheartened through the low prices received. I suggest that, instead of a duty of 1½d. on fruit pulp, 1d. per pound should be placed on fresh fruit, sulphurised fruit, and fruit pulp.

124. *The Chairman.*] Then, you agree with the fruit-growers that the duty on fresh fruit should be increased?—I do; and I believe that I am the only jam-maker who does. It would make the jam more expensive to start with, but we should get a better class of fruit, and there are plenty of orchards here to supply all requirements if they were properly looked after. I saw jam advertised in Wellington the other other day for 4d. a tin, but it is unfit for use: it is adulterated with some vegetable compound.

125. *Mr. Mackenzie.*] What was the brand?—There was no maker's name upon it, but it is made in Auckland, I think.

126. Then, you are of opinion that if the fruit industry were gone into in a systematic manner you would eventually get the fruit as cheap as you get it now?—Yes. When I came here first there were scarcely any raspberries grown in Riwaka. Now I am giving some fruit-growers there 2½d. per pound for raspberries, and I could buy them from Hobart for 1½d. sulphured. I have not imported any, as they are not so good as the fresh fruit. In the South they are importing this fruit slightly sulphured, free of duty, and for a very little over 1½d. per pound. I only import the black currants because they are not grown here, on account of some blight.

127. *The Chairman.*] Have you any other suggestions to make?—No. I know that the other jam-makers will not favour my idea, and I shall have to pay more for the fruit; but it will mean a benefit in a few years, as we shall have better fruit, and we would rather have better fruit for jam-making.

128. *Mr. McGowan.*] What do you think would be a fair paying-price for the grower to get for his raspberries?—The price I pay would pay them well—anything over 2d. per pound.

129. And for currants?—2½d. will pay them.

130. What do you think would pay them for apples?—The common cooking-apple would pay at from ½d. to 1d., and plums the same.

131. Upon what basis do you wish these duties arranged, seeing that there is such a difference in the cost of production?—You could make it ½d. on the cheaper fruits.

132. A halfpenny on apples and plums?—That is not enough, because there is a ½d. at present, and I do not think that the grower gets any return for his plums. They are sold at 2s. a box in Wellington.

133. If 2½d. is a fair return to the producer for the small fruits and you admit that ½d. is a fair return for apples and plums, where is the necessity for increasing the duty?—Because the local grower cannot compete with the imported fruit at the present time at the halfpenny duty.

134. Does the fact of their not being able to get a higher price arise from them all forcing their fruit into the market at the one time?—They cannot help doing so, as the fruit ripens and must be shipped at once.

135. *Mr. Stevens.*] Do you think that there would be any possibility of exporting jam from New Zealand if the industry were carried on more extensively than at present?—It will take some time, because of the competition with England, where labour, sugar, jars, and tins are cheaper.

136. If further protection were given to the fruit-growing industry in New Zealand, do you think that the supply would be likely to exceed the demand?—If the supply were increased the consumption should also increase, and fruit should be retailed cheaper than at present. Plums and greengages should be bought wholesale at 1d. to 1½d. and retailed at 2d. to 3d. That would mean that the working-man would have fruit at his meals. I believe if the prices were reduced that the consumption would be very largely increased, and we might be able to make a trade with India. Our difficulty is the transhipping and consequent charges. Sydney can ship canned goods to London for from £1 5s. to £1 10s. a ton, with 5 per cent. primage, while from Blenheim to London the freight is £3.

137. How do you account for the difference in the freight?—There are only two lines of steamers from Wellington, and little competition; freights are cheaper from Sydney, and in Australia they get a cargo at the one port. The other disadvantage is the transhipping from Blenheim to Wellington, which is 15s. per ton.

138. Is there any export business done with the South Sea Islands?—There is a little, but I think it mostly goes from Sydney, where they make a cheaper jam than we do.

139. Do you think that there would be any chance of an export trade in jam from here to India?—I think that there ought to be. I have sent jam to Ceylon, and I have had orders back again. I have also sent it to Melbourne and Sydney.

140. Which class of jams do you find sell the best?—Raspberry and black currant.

141. And you have to import that fruit?—Not raspberries; only the black currants, of which I have imported 5 tons this year from Hobart.

142. *Mr. Tanner.*] Have you exported any large quantity of jam?—No; I have only sent it to private individuals; on account of the transhipping charges, we cannot do very much, but with a direct line to India I believe that New Zealand would be able to do some business. We should have to send high-class goods.

143. Have you sent any to the Cape?—No.

144. *Mr. Hutchison.*] I presume you do not want any change in the duty on the desiccated or evaporated fruits?—I do not refer to them. They are dutiable now at the rate of 2d. per pound.

145. *Mr. Mackenzie.*] What percentage of value does it take to land Tasmanian fruit here?—The freight is £1 10s. per ton, and the duty ½d. per pound.

146. What percentage would you put down as loss?—We have had no loss at all with the sulphured fruit.

147. Does that apply to imported plums and apples?—Yes. If you get a decent trip from Sydney to Wellington the fruit arrives in splendid order.

148. You think that the tendency of the increased duty will be to make the fruit dear for a little time only?—Yes.

149. You are of opinion that the people here will settle down and make a steady industry of fruit-growing?—I believe they will.

150. You say that even now you have to pay 4d. per pound for decent plums?—That is retail; sometimes less in a Chinaman's shop in Wellington.

151. Would not the imposition of this duty of 1d. tend to keep the price up?—I do not think so.

152. Your evidence as a buyer in favour of an increased duty on fruit must have very great weight: what we have dreaded in a question of this sort was that the fruit-buyer would be handicapped by the increased cost if further duty were imposed?—I do not think it would be so, because you will get people to grow all the fruit required. I have people in Riwaka growing fruit for me, and making a regular industry of it; but if the present duty is maintained we should not be able to buy much. We should have to purchase our fruit in Wellington, and give a lower price.

153. Can you take as many plums as the local growers can produce?—We have never refused any, and we have paid 1d. and 1½d. for greengages and 1d. for plums. We have always taken all we could get.

154. Taking plums alone, would it not pay an orchardist to put in, say, 5 acres?—Yes, if he were sure of a market, even at ½d. a pound and upwards.

155. Do you think that it requires further encouragement than you have had all these years to cause a man to settle down to this industry in a steady manner?—I am certain that it does.

156. It does not appear to me that the imported plum has interfered with the grower here?—Well, the local growers have had to ship their plums to Wellington, because they could not get a market here.

157. Your evidence goes to show that, by keeping the imported fruit out, the people here will go into fruit-growing as a regular industry?—Yes.

158. And the price will not be increased?—Not after the first year.

(6.) The following gentlemen, representing various churches, attended as a deputation, and asked that certain articles used for church purposes should be exempt from duty: Rev. Father MAHONEY, Rev. Mr. KEMPTHORNE, Mr. HAMILTON, Dr. CRESSEY, Mr. MAGINNITY.

The Chairman: We shall be glad to hear what you gentlemen have to bring before us.

Mr. Maginnity: We desire to represent to the Commission the desirability of exempting from duty the following articles used for church purposes: organs, harmoniums, stained-glass windows, peals of bells, plate (such as chalices, ciboriums, communion-plate, and crucifixes), chandeliers and candlesticks, fonts, brass lecterns, statues and other ornaments for the decoration of churches, and sacred vestments (such as chasubles, stoles, copes, and dalmatics). It will be within the knowledge of the Commission that under the Deceased Persons Act of 1883 bequests to charitable institutions were made exempt from legacy duty, and we ask that in similar cases where bequests of various articles are made to churches here by people outside the colony, or in the case of imported church furniture, the same consideration should be extended, and that such articles should be exempt from duty on the declaration of the ministers of the various churches that they have been imported for church purposes only.

Rev. Father Mahoney: Formerly, all articles imported for church purposes were free of duty, including vestments and bells and organs. The churches are not rich, and the present heavy duty of 25 per cent. on organs is severely felt; on one organ alone imported into Nelson, costing £400, the duty amounted to £100.

Rev. Mr. Kempthorne: I indorse what the Rev. Father Mahoney has stated. We have to pay large sums in duty, on church-organs especially, and it would be a great relief to the churches if the articles we have mentioned were admitted free of duty. I do not think the removal of the duty will interfere with any local manufacturers, as most of the articles can only be procured in England.

160. *The Chairman.*] Are there not organ-builders in the colony?

Mr. Hamilton: There is an organ-builder in Christchurch, but I think that nearly all the parts used in organ-building, excepting the woodwork, are imported. The Presbyterian Church here has been in communication with the builder in Christchurch with reference to a new organ, and we have had a specification from him. It has been decided, however, that it would not be advisable to have the organ built locally, but that it would be to our advantage to pay the 25 per cent. duty and order it in England or Australia, as we were anxious to get it as quickly as possible.

161. *The Chairman.*] Cannot bells be cast in the colony?—Yes; but peals of bells are generally imported. With reference to ordinary church-windows, we found we could import a better and cheaper window, after paying the duty, than those made here.

Mr. Maginnity: Sometimes bequests are made by persons at Home to churches in the colony. I might cite one case where an old Wellington resident sent out a very handsome lectern for St. Paul's, which, under our present tariff, would have been subject to a very heavy rate of duty. That is why I make the suggestion that these bequests should be included in the exemptions.

Dr. Cressey: The stained-glass windows cannot be obtained here. In the English Church we have recently raised a subscription, and placed three windows in the cathedral, and the amount paid in duty ranged from £15 to £20 each. This very seriously affected the amount available for the purchase of the windows.

162. *Mr. Stevens.*] Do you think that it would answer the purpose if power were given to remit the duty on the certificate of the resident clergyman that the articles were imported for *bonâ fide* church purposes?

Mr. Maginnity: I think that a remission would meet the requirements.

163. *The Chairman.*] I presume that you would wish to include mural tablets in the free-list?—Yes.

164. Have you any objection to its being mentioned that you have appeared here as a deputation?—No.

(7.) Dr. CRESSEY examined.

165. *The Chairman.*] Will you kindly state your request?—I wish to draw attention to the matter of certain surgical instruments which are taxed for duty under the heading of "Druggists' sundries." Taking splints, for instance, a good many of them are decidedly complicated, and ought only to be applied by a medical man himself. In fact, it is absolutely necessary for him to have them in his possession, especially in the country. In regard to catheters, they are all classed under the head of "Druggists' sundries"; the same with appliances called "bougies." I am an importer of these appliances, and it always becomes a matter of argument with the Collector of Customs as to whether such things are to be regarded as surgical instruments, and exempt from duty, or whether they come under the heading of "Druggists' sundries," and should pay duty accordingly. A hypodermic syringe is looked upon as a druggist's sundry, and the profession maintain that it should be regarded as a surgical instrument, requiring, as it does, surgical skill to use it.

166. As a matter of fact, these things are not made in the colony?—No.

167. The question is, what is a surgical instrument, and that is left to the decision of the Customs Department?—The question asked is, "Do they require special skill," and I maintain that delicate appliances such as I have to import cannot be used by a druggist.

168. *Mr. Stevens.*] Do you consider that the present duty on imported patent medicines is sufficient?—I should say that all patent medicines should pay duty up to a considerable amount.

169. Do you consider that these patent medicines are a safer medicine than those prepared by chemists from medical prescriptions?—I do not think so, on account of the uncertainty of their manufacture, and, secondly, because of the danger which exists at present of their being used without consideration and observation.

170. Therefore you consider that it would be better if all medicines were prepared from prescriptions?—That is my view. In the matter of infant mortality, there is no doubt that in England

it is due considerably to the large use of patent medicines. It amounts to the question of the amount of opium contained in them.

171. It is stated that it would be a great hardship if any increased duty were imposed upon these imported patent medicines?—I do not think that it would be a very great hardship. If people only knew it, they pay a tremendous price for them.

172. Do you think, then, that the manufacturers of patent medicines make an abnormal profit?—Yes, decidedly.

(8.) Alfred Harley examined.

173. *The Chairman.*] What are you?—A farmer and hop-grower.

174. What matter do you wish to bring before us?—I hope that the Government will hurry on this reciprocal treaty with South Australia. I am a hop-, barley-, and fruit-grower. Our usual crop of hops is about 2,500 bales. This year it is about 2,000 bales.

175. Does this colony absorb all your hops?—No; as a rule there are about 1,000 bales to spare. The usual consumption of the colony is about 1,500 bales.

176. What demand is there in South Australia for hops?—If it had not been for the duty in South Australia I could have sent my hops there, and after paying all expenses I could have realised 1s. a pound; the duty against us is 6d. a pound.

177. What price do you receive here?—I took an advance of 6d. on mine, and was brought some £30 to £40 in debt. The growers' price is from 6½d. to 7d.; sometimes 8d. The charges on a shipment to Australia would not exceed 2d. a pound.

178. Can you tell us the number of persons employed in the hop industry?—About 300 to 400.

179. How many acres are required to produce 2,000 bales of hops?—300 or 400 acres.

180. *Mr. Mackenzie.*] Why are so many hops imported into New Zealand—53,000lb. were imported in 1893?—The brewers require them to mix with the local hops. It makes the beer better.

181. You do not think that our present duty is any help?—Not a bit. My remarks apply to South Australia.

182. If the duty were removed, do you not think that we should be immediately flooded with Australian hops?—They cannot compete with us.

183. Would you advocate taking the duty off all kinds of fruit?—Yes, excepting the tropical fruits we cannot grow here, I think that we can hold our own in regard to fruit. It is in excessive supply here, and if it had not been for our friend the codlin-moth we should have had to pave our roads with the apples. We are getting 1s. a bushel for them, and it does not pay at the money. I think that the duty on imported fruit could very well be abolished. My fruit only fetched £10 altogether this season.

184. If apples are so plentiful here, how is it that a person who pays 10s. a day for his lodgings in Nelson does not see any on the table at all?—I do not know where you pay 10s. a day in Nelson, but I can go and get as fine a table as any man wants to sit down to for much less than that, with a glass of beer thrown in, at Digby Andrews's "Coach and Horses" Hotel.

185. *Mr. Hutchison:* Did you only make £10 profit on your fruit?—No; it only fetched £10 altogether.

186. *Mr. Stevens.*] Do you attribute the low price of hops to over-production?—Yes.

187. What do you think of the difference in quality between the English hop and the New Zealand hop?—There is a peculiar flavour about the English hop which you cannot get here. There is one fault about the Nelson hops—you cannot get the colour when they ripen. We are compelled to sacrifice condition to colour.

188. *Mr. McGowan.*] Do you know what the jam-makers gave for plums this season?—1d. per pound was the highest price.

189. *The Chairman.*] What is the weight of a bale of hops?—300lb.

190. Do you object to your name being published?—No.

BLENHEIM.

Thursday, 4th April, 1895.

(1.) J. J. White examined.

1. *The Chairman.*] I understand that you appear to represent the firm of Freeth and Co—Yes.

2. What are your firm?—Wine-producers.

3. Do you make grape wines?—Yes.

4. How many employés have you?—Mr. Freeth and his family are engaged in the cultivation of the fruit and the manufacture of wine. We have gardens at Mount Pleasant, near Picton.

5. What quantity of wine do you produce in a year?—About 1,000 gallons.

6. At what price do you sell the wine?—We are prepared to sell at an average of 6s. a gallon; and, in large quantities, at, say, 5s. 6d. The grape wines we sell at from 6s. 6d. to 7s. 6d.

7. What wines do you make?—Grape, currant, gooseberry, elderberry, blackberry, and apple wine; also a mixed-fruit wine called "Constantia."

8. What sort of grape wines do you make?—A light-coloured wine, about the same colour as sherry.

9. What do you wish to represent?—I wish to state that this proposed treaty with South Australia will cripple us if it is agreed to, unless the right is given to us to sell the wine we make by the single bottle. Under the protection of the present duty we have accumulated a stock of 4,000 gallons of wine, but hearing of the proposed treaty we have stopped the manufacture for the present.

10. How do you think that the treaty will affect you?—Wine could be landed here from Australia at 3s. a gallon, and we could not compete against it.

11. It has been stated that a low-class Australian wine can be landed here at 1s. a bottle, and if you can sell yours at 6s. per gallon it means that you can sell your wine at the same price, does it not?—I could sell this wine [bottle produced] at 1s. a bottle, but we are not allowed to sell by the bottle, and the poorer classes who really want it cannot get it. Most of our wine-sales are to private families, although a considerable portion is sold to hotels. A single bottle of our wine can only be bought from the holder of a retail license. It would be retailed by him at from 2s. 6d. to 3s. a bottle. In 1892 we received the first prize for New Zealand wine at the agricultural show at Christchurch. It is the only time we have entered our wine at a competitive exhibition.

12. *Mr. Mackenzie.*] What you want is an amendment of the licensing-law to enable you to sell by the bottle?—Yes; and if that were done we should be able to sell a large quantity, and would not fear the treaty.

13. If you received that privilege, would you not have to give up the wholesale trade?—No. People would still come to us. We send cases to all the leading families in Wellington, and we sell to the hotels by the cask. The proprietor of the "Criterion" does not put our wine on his wine-list because he does not fancy that it is up to the Australian wine; but he puts it on the table for dinners, &c. We do not want to sell less than a bottle, nor do we want the wine consumed on the premises. It could be sold by grocers, as British wines are in England.

14. You do not for a moment say that your wine will take the place of the Australian wine?—No; I think it is scarcely old enough.

15. Would it, do you think, if it were old enough?—I do not think that it would compete with the wines of a grape-growing country like Australia.

16. How long have you been in the wine trade?—About three years, and my partner six years.

17. You have had five years with a pretty stiff duty against you, and you say that during those five years you have not felt much inconvenience from the imported wines?—None whatever.

18. You say that you could sell your wine at 1s. a bottle if you could sell it in that way?—Yes.

19. While the hotels sell it by the bottle?—Yes; but they pay a heavy license-fee, and do not sell much by the bottle. It is principally sold by them as a semi-teetotal wine.

20. They do not pay a heavy license in respect to selling wine only. If there were a demand here for wine, say, at 1s. 6d. a bottle, would not the publicans sell it at that price?—I do not think so, when they sell the Australian wine at the same price.

21. I suppose you know that no good wine can be bought in Australia under 6s. per gallon?—No, I understand Australian wine is retailed in Sydney at 4s. a gallon by the single bottle.

21A. Do you know what we have to pay for a bottle of Australian wine in the hotels?—I suppose, about 5s.

22. I paid 6s. 6d. in Nelson, and surely wine at that price will never come into competition with yours?—That is not the price of the Australian wine, but simply the price the landlord charges you. He might just as well charge you 6s. as 2s.

23. I want to lead up to the fact that you are asking us to keep out a class of wine that you are not making here?—I am not asking you to keep it out, but not to let it in free; and there is a great difference between the two.

24. I suppose the local publican here has no antagonism to the wine?—No.

25. Yet he does not think that it comes up to a sufficiently high standard to put it on his list?—Most of the hotels sell it retail over the counter.

25A. You say that you would like to get a retail bottle-license?—Yes; to sell in quantities of not less than a single bottle.

26. Would you be willing to allow that right to be subjected to local option?—We would prefer to have the right a statutory one—the present limit of 2 gallons reduced to a bottle.

27. *Mr. McGowan.*] I gather that your real trouble is that you wish to bring the producer and the consumer of New Zealand wine together, without any difficulty as to duties or licenses, and you believe if this course were carried out that in time you would even be able to compete with the Australian wine?—Yes. The working-classes, who are now excluded from purchasing it, would then use it. Having to purchase 2 gallons at a time is a practical prohibition of a wholesome and useful wine to working people.

28. Do you think that you could depend upon a sufficient supply of grapes if your output of wine were doubled?—Yes; because we would increase the production.

29. Is the price you pay for grapes sufficiently remunerative to the grower?—Yes. The Sounds are very well adapted for grape-growing, particularly the Pelorus Sounds.

30. In that position, then, you would not even fear the Australian wines?—No.

31. *Mr. Stevens.*] What proportion of your wines do you make from grapes?—About one-fourth.

32. Do you think that the black-currant wines and other fruit wines are quite equal to the best grape wines?—I am not prepared to say that currants are as good to make wine from as grapes.

33. Would it not pay the growers of small fruits to make jam rather than wine?—I do not think so.

34. Do you fortify your wine?—No, we set our faces against it, and make the pure fruit wines. We advertise it as such, and will continue to do so.

35. Have you heard of Soler, of Wanganui?—Yes; I hear that he fortifies his wines.

36. Do you think that a detriment or an advantage?—I suppose he does what suits his trade.

37. *Mr. Hutchison.*] You are afraid of this treaty with South Australia?—Yes.

38. How is it that New Zealand cannot compete with South Australia?—They have thousands of acres of vineyards, and if they could flood their wine into the colony of New Zealand without paying revenue it might reasonably be expected to cripple the local wine trade.

39. Why cannot your wine be sold as cheaply as the Australian wine?—Simply because there is not the quantity stored here. South Australia has a stock fifteen to twenty years old.

40. Is it because you are not able to make so good a wine?—New Zealand has not the same advantages as Australia.

41. If you cannot grow grapes and manufacture as good a wine as the Australians can, we must still have cheap wine, irrespective of the consequences?—Yes, but they have got their stock already, and we are only just starting.

42. I think you said that this treaty would be an injustice to you: where would the injustice come in?—The colony has been fostering the trade, and we have spent our money in it. A wine business cannot be successful without a comparatively old stock, and this takes years to acquire. Just as we are getting this, all of a sudden it is proposed to wipe us out.

43. *Mr. Tanner.*] Do you pay a license now?—No. It is unnecessary.

44. Have you ever applied to the Colonial Secretary for a wine-license?—Yes.

45. Have you been refused?—Yes.

46. When?—I suppose, eighteen months ago.

47. *The Chairman.*] Is there any other matter you wish to mention?—We use about a ton of sugar to 1,000 gallons of wine, and if we had not to pay duty on this we should make our wine at a little less cost.

48. Have you any objection to your name being published?—No.

(2.) Frank Paine examined.

49. *The Chairman.*] What are you?—A decorator.

50. What do you wish to represent?—I ask that the portrait combination lenses used in magic-lanterns should be admitted free of duty. I also think that there should be no duty charged on magic-lanterns. They are generally used for schools and for charitable purposes, and the duty might very well be abolished. The present duty is 25 per cent.

51. What is the value of a lantern?—£12, the lens being worth £8.

52. Could the lanterns be made in the colony?—The lantern could, but not the lens.

53. *Mr. Stevens.*] How would it be possible to distinguish between the lenses imported for magic-lanterns and those imported for photographic purposes?—By obtaining the makers' invoices.

54. Are the same lenses used for limelight effects?—Yes.

55. Is not limelight apparatus largely used by theatrical people for the purpose of makinga living?—Yes; but they generally borrow it.

56. *Mr. McGowan.*] It is a fact that people are working the magic-lantern professionally to make a living, and the difficulty would be to ascertain whether or not the lanterns were imported for professional uses?—If you put a duty on lenses of over a certain value you would meet the difficulty.

57. *The Chairman.*] Is there any other matter?—Yes, in connection with my own trade of paperhanging. A paperhanger's tools are admitted free, with the exception of his scissors, which are charged a duty of 20 per cent. I ask that scissors should be admitted free, as tools of trade.

58. *Mr. Glasgow.*] How could they be distinguished from other scissors?—By their length. A paperhanger's scissors would be of no use to a tailor.

59. *The Chairman.*] Have you any objection to your name being published?—No.

(3.) R. W. Jenkins examined.

60. *The Chairman.*] You appear in connection with the duty on medicine for sheep?—On sheep-drench.

61. Kindly state your application?—I ask that this sheep-drench, known as the "Australian Worm Specific," should be admitted free. It is an Australian production, manufactured into a dry form in Sydney, and exported thence to this colony. I represent an Australian friend in the matter, who, knowing its efficacy in the case of diseases in sheep, is desirous of introducing it amongst the flock-owners in New Zealand. I produce a sample of the article.

62. *Mr. Tanner.*] What duty does it pay now?—25 per cent.

63. What quantity is used in drenching a thousand sheep?

64. A 5lb. packet will drench six hundred hoggets, four hundred sheep, or eight hundred lambs once. This package [produced] cost me 8s. in Sydney, and the duty amounts to 2s. 3d. Some few years ago my friend, who is a well-known Australian squatter, was threatened with ruin on account of the disease amongst his flocks. He spent five years in experiments, at the cost of some hundreds of pounds, and recently informed me that two years ago he had mastered the disease completely, and had cured his flocks. He is now manufacturing the specific for sale, and, as there was great need for it in New Zealand, I urged him to seek a market here. I might urge that it is of far greater consequence to the squatter than Little's dip, which is admitted free, as we have no scab now.

65. *Mr. Stevens.*] How do you administer this specific to the sheep?—In liquid form. I wish to put in the following extract from a letter from Mr. Hugh Campbell, of Eversleigh Station: "I read with great interest your correspondent's letter about the drench for intestinal worms in sheep. This last three years there has been a great mortality in young sheep, which is mainly attributed to lung-worm and intestinal worms, and a great many drenches have been used, and I am sorry to say not one of them has done the amount of good I should like to see. Last autumn I experimented with nine or ten different drenches and not one of them killed the intestinal worms. Some of them may have done a little good, but not enough to pay for the trouble and expense, and, if your correspondent's drench does anything like the amount of good he claims for it, it will be a fortune for him. If he would send me enough for about a hundred sheep, with full instructions, I will give it a most exhaustive trial."

66. Have you any evidence of the fact of this drench being superior as a remedy to the ordinary method of curing lung-worm?—I have tried two or three remedies here, and the only effective one has been turpentine and oil: that has been only partially successful. On Australian stations this drench has been found to be a perfect remedy.

67. *Mr. Hutchison.*] Have you any testimonials as to this drench being an effective cure?—I have not any New Zealand ones; but in one testimonial a man writes as follows: "After drenching my sheep they at once showed a marvellous improvement. Instead of losing a heavy percentage of lambs, I rear them nearly all. I can now obtain fat sheep where I never could before; the ewes are strong, and able to rear their lambs; the evil is fast disappearing from my sheep. I have carefully and interestedly noted the surrounding stations, where arsenic and other remedies are in use, and the fact is their losses are increasing year by year. I believe 'Worm Specific' the most important discovery yet made in the interest of the sheep-breeder."

68. *Mr. Tanner.*] Are there any poisonous ingredients in the composition?—I cannot say anything about the ingredients; but the label states that the drench is poisonous in large doses.

69. *Mr. Stevens.*] Supposing it were proposed to admit this drench free, it would necessarily follow that all other drenches should be admitted free?—If they could do good work they ought to be admitted free, the same as this drench.

70. You do not ask for exceptional treatment?—No.

71. *The Chairman.*] Do you object to your name being published?—No.

[I enclose testimonial from G. L. Lane, manager of Wither Run. Testimonials from a few others who are experimenting with the drench have not yet reached me:—

"Dear Sir,— "Wither Run, Marlborough, 18th April, 1895.

"I beg to state that I have tried the Australian remedy known as the 'Worm Specific,' with most satisfactory results. One dose has completely cured a valuable ram which for six months has been gradually pining away, evidently from this evil, in spite of every care and repeated change of pasture. I never expected to save him; but in three weeks after drenching he appeared quite cured, and rapidly gaining in condition. He is now tupping ewes, and serving as many as the other rams. You can make any use of this letter you think fit.

"G. L. Lane,

"Mr. R. W. Jenkins, Blenheim. "Manager, Wither Run.

"P.S.—I intend drenching all our lambs at once.—G. L. L."]

(4.) William Tindill examined.

72. *The Chairman.*] What are you?—A small farmer.

73. What do you wish to bring under our notice?—The advisability of abolishing the duty on peas and beans imported for seed purposes. I do business with one of the largest seed firms in England—Carter, Dunnett, and Beale. We grow the peas and beans from seed sent out from England for the purpose, and ship the crops Home, receiving payment in hard cash. It is a growing industry here.

74. *Mr. Mackenzie.*] I suppose that you really grow these seeds for the Home trade?—Yes.

75. Do you grow anything else besides peas and beans?—Turnip-seed, &c.

76. Are the Home firms particular about growing the seeds so that they shall not be mixed?—Yes.

77. Does the same man grow the pea- and bean-seeds?—Yes, in different paddocks.

78. Do you think that the industry is likely to become a permanent one in New Zealand?—Yes. Eighty-five bags of peas came out for the Farmers' Co-operative Association this season for distribution amongst their shareholders and other persons who wished to grow seed for the Home-market.

79. *Mr. Stevens.*] Do you think that the present import duty of 9d. per 100lb. on beans and peas is a great hardship? There would be eighty-five persons amongst whom this duty would be distributed, and they would have to pay only 5d. or 8d. each?—The growers of the seeds do not pay the duty, but the firm which sends them out in the first case—Carter and Co.—does.

80. Does the farmer pay for the seed?—Not when it comes through the Co-operative Association.

81. How much per bushel do you get for growing the seeds?—Five shillings per bushel.

82. Does your request apply to the seeds sent out by Sutton and Co. also?—I wish all to be treated alike.

83. If the duty were abolished on these seeds, how would you distinguish between the peas and beans imported for seed purposes and those imported for ordinary domestic consumption?—I think that difficulty could be met by referring to the invoice.

84. *Mr. Mackenzie.*] You desire the duty removed, in order that seed-growing in the colony might be encouraged?—Yes.

85. *The Chairman.*] Do you object to your name being published?—No.

(5.) R. W. Jenkins re-examined.

86. *The Chairman.*] Do you know whether there is any prospect of a trade growing up in this district in the matter of seeds for the Home-market?—Yes. This district is specially well adapted for it.

87. Has there been any movement in that direction?—Yes; chiefly in peas and beans.

88. Have you tried any experiments in connection with your own land to see what quantity of seeds could be produced?—I have tried a small patch of haricot beans, and I obtained at the rate of at least 50 bushels to the acre.

89. What are these beans worth per bushel?—Shipped to London, they would fetch 6d. per pound. The beans for seed cost me 1s. per pound landed here.

90. Have you heard that some of the leading firms at Home have had their attention attracted to the Marlborough District as a district where they can get pure seeds raised, and have negotiated with people here for that purpose?—One or two firms have sent out tares, peas, and beans to be grown here for shipment at Home.

91. Do you think that it would be expedient, with a view to encouraging the industry in the colony, to admit these seeds free of duty?—Yes.

92. How would it do to arrange for a drawback being given in the case of seeds imported for this purpose rather than to abolish the duty?—That would be a good idea, as, in admitting these particular seeds free, the difficulty would be to distinguish them from others.

93. Do you think that there is sufficient demand at Home to keep any considerable quantity of land under crop here in peas and beans?—I am not prepared to answer that question. Last year a quantity of beans were shipped through me, and they did not sell as readily, nor fetch as good a price, as expected.

94. Were these seed-beans?—They would do either for seed or for domestic purposes.

95. Were they wanted for seed?—No. They were shipped as ordinary commercial beans, and the market seemed to be glutted at the time.

(6.) Edward Mead examined.

96. *The Chairman.*] What are you?—Manager of the Marlborough Farmers' Co-operative Association.

97. Will you kindly state what you wish to represent?—I ask for the removal of the duty of 9d. per 100lb. on peas imported for growing seed, and the proceeds of the growth of which are sent to England.

98. Is the seed supplied to the grower here by the Home firm free of charge?—Yes. The position is this: So much seed is sent out to a man to grow, and he is paid for the amount he returns, less the amount supplied to him.

99. Then, on the net amount he receives the market price?—Yes.

100. What is the market price?—From 4s. to 6s. per bushel f.o.b. Picton.

101. What is your yield in peas to the acre?—It depends upon the season, the amount, and kind of peas grown. I divided one lot of peas this year between two men. One man got 55 bushels to the acre and the other 20 bushels.

102. I suppose that you could reckon from 35 to 40 bushels per acre as a fair average yield?—Yes.

103. Would £5 an acre be the outside cost of growing, including all expenses?—Yes.

104. How many bushels of peas are required to sow an acre?—Two.

105. The present duty makes a difference of ½d. per bushel, and if this were kept on do you think it would stop this enterprise?—It might help the trade slightly to take the duty off. I am sending Home from here this year 3,000 sacks of peas, which means to this district, roughly, some £3,000.

106. *Mr. Stevens.*] I understand that the reason why the Home seedsmen send their peas to be grown in this district is because they get the product true to type. Is there any other reason?—I think it is because they get a better sample—I mean a better looking sample—from the seed sent out to us to grow. We return, in fact, as a rule, a better sample than the seed they send out.

107. Supposing the farmer grew peas here from colonial-grown seed, would the product sell as readily as the product of the imported seed?—I do not think so, as the guarantee would be wanting that the original seed was true to type.

108. And that is the reason for the apparent monopoly in this business?—I think so. The Home people look upon our association as a body who will protect their interests and return them a true sample of the seed they send out.

109. Is it not the fact that there are a few large firms at Home who practically rule the price of seeds?—That may be so, but I am not conversant with that question.

110. Do you not think that the removal of this duty would have the appearance of giving these people a monopoly?—No. Our colonial seed-merchants are also growing here—viz., Yates and Co., Nimmo and Blair—and I think that fact alone will keep any monopoly in check.

111. *The Chairman.*] If these firms at Home could not arrange for the growing of their seeds in New Zealand I suppose that they would go to some other colony?—They have tried Canada, and have, I understand, failed; now they are trying New Zealand.

112. *Mr. Hutchison.*] It does seem that this is an attempt to create a monopoly pure and simple?—I quite fail to see that. The Home seedsmen have tried Canada.

114. From which I gather that New Zealand grows seeds to the satisfaction of the people in England, and that this is purely a business arrangement?—Quite so.

115. *Mr. Tanner.*] How long has this industry been developing?—Two years, so far as my firm is concerned; five years as regards the other colonial firms.

116. Are the growers bound by written conditions not to part with any of the produce of the seed to other persons than your association?—I have never asked them to sign anything. They are morally bound, and we look upon the moral obligation as sufficient.

117. Are the growers all members of your association?—Yes.

118. Is it put to them in this way: that they must send the whole crop to England, and not sell any here?—Precisely. The growers are paid, as soon as the bills of lading are signed, at a price f.o.b. The conditions are "marketable samples." Sacks are supplied by the firm for whom the seed is grown.

119. Do you think that the Home firms are satisfied with the results obtained in New Zealand?—In some cases, Yes; in others, No.

120. *The Chairman.*] With regard to this question of a monopoly being created in favour of any particular firms, is it not quite open to any seedsman to make a similar arrangement?—Certainly.

121. And, if it is a profitable enterprise, is it not likely that other seedsmen will take it up?—Yes.

122. Therefore it is not likely that any firm will have a monopoly?—No.

123. Is there any other matter that you wish to mention?—I have been asked by my association to represent the desirability of removing the duty on the coarse salt which is imported and used for agricultural purposes.

124. Do you want the remission to cover the rock salt as well as the coarse salt?—Yes.

125. *Mr. Stevens.*] How would you distinguish between the coarse salt that is used for agricultural purposes and the coarse salt used for other purposes?—I understand that it is the South Australian coarse salt that is principally used for agricultural purposes.

126. *The Chairman.*] Have you any objection to your name appearing in the papers as amongst the witnesses here to-day?—No.

(**7.**) William Baker Girling examined.

127. *The Chairman.*] Will you kindly state what you wish to represent?—I wish to point out certain anomalies in the tariff. First, I wish to ask why 10 per cent. is added to the value of the goods when the duty is levied.

The Chairman: It is to bring the value up to the value in New Zealand.

Witness: The next item is the charging of duty on the value of the casings. If the case cost, say, 16s., and the bulk of the goods that it contains be drapery goods, then 20 per cent. of duty is added to the cost. The cases realise at the outside about 3s. 6d., and I think that it is unfair to charge duty on goods on which there is such a loss. I also receive discount on the cost of goods, and I consider these discounts to be part and parcel of the cost of the goods. This allowance used to be made by the Customs, but lately it has been discontinued. Flannelettes, I hold, should be all exempt from duty, as it is very difficult to define patterns which are dutiable and patterns which are not. There is also an article called "linenette," used for lining. It is similar to silesia. All silesias are admitted free; but the linenettes, which are used for the same purpose, are classed as "cotton piece-goods," and have to pay the 10-per-cent. rate of duty. I hold that they should be classed with silesias, on the free-list. Brown hollands at one time were exempt, but they are now classed at the 20-per-cent. rate, the consequence being that the brown-holland trade has been blocked. Before the duty went on I purchased a shipment, which arrived after the duty came into force, and the goods were a long time on my hands. Charging this duty on hollands simply amounts to a tax on local industry. These are all the matters I wish to bring before the Commission.

WELLINGTON.—Second Sitting.

Monday, 8th April, 1895.

(**1.**) William Ferguson examined.

1. *The Chairman.*] Your name is William Ferguson?—Yes, I am secretary and engineer to the Wellington Harbour Board. I have submitted a letter which contains the views of the Harbour Board. It is as follows:—

"Sir,— "Wellington, 3rd April, 1895.

"I am directed by the Wellington Harbour Board to forward to you a copy of a resolution passed at its monthly meeting held on the 28th March, 1895: 'That the Board support before the Tariff Commission the proposal that complete dredging plant and ropes required for harbour purposes be admitted free of duty.'

"In placing this before you I desire to point out that the Government do not pay any wharfage charges on goods passing over any wharf vested in a Harbour Board, and that in the case of this Board the concession is a material tax upon the local body, and it is felt that it is an injustice that the Board should be further taxed through the Customs as if they were a body trading for profit, instead of a body intrusted with functions of local government. If it be desirable that local governing bodies should pay Customs duties on imported goods, it is submitted that the general governing body should pay wharfage on their goods.

"I have, &c.,

"William Ferguson, Secretary.

"The Chairman, Royal Commission on Customs Tariff, Wellington."

2. Do you wish to say anything in support of that?—Unless you wish to ask me questions upon it, that seems to embody everything.

3. What I want to point out to you is this: You use the words "complete dredging plant." That would seem to imply that it is only complete dredging plant your Board wish to have admitted free of duty, and that the recommendation did not extend to the parts separately, as buckets, for instance. Now, do you wish to point to any necessary parts of such dredging plant that ought to be admitted duty-free?—The words "complete dredging plant" were put in purposely.

4. Then, there is another point. Do you ask that ropes for harbour purposes be admitted free of duty?—Yes.

5. We have had a similar body—the Lyttelton Harbour Board—before us, and they restricted their application to the admission duty-free of 21in. coir hawsers and 10in. manila hawsers?—As a matter of fact, we are not really interested in ropes of those large sizes. There are only a very few Harbour Boards that are—those which have breakwaters, and require ropes of large size, and these

cannot be made in the colony. We have been asked by the Timaru Harbour Board to support their application, and that is why we have done so.

6. This is our practical difficulty in the matter: Supposing rope of various classifications pays duty in New Zealand, and supposing we concede your application to admit it duty-free, that will apply to hundreds of other people who use rope, and who cannot advance the arguments for its admission duty-free that you advance. It seems to me that the practical way of doing the thing would be that the duty should be in the first instance charged, and a rebate afterwards obtained on its being proved that the rope was to be used for Harbour Board purposes. It would meet your purposes if the quantity of rope actually used by the Harbour Boards were exempted from duty, no matter what was done in the case of other people?—Yes. There is also a point I should like you not to lose sight of. I mean the injustice in Harbour Boards receiving no wharfage dues for services rendered and conveniences enjoyed by the General Government.

7. *Mr. Tanner.*] That is a sore point with all Harbour Boards?—Yes; but it specially applies to the Wellington Harbour Board, seeing that this is the seat of Government.

8. *Mr. McGowan.*] Do you wish what you now apply for on behalf of Harbour Boards to apply to local governing bodies generally, or is it only to Harbour Boards?—I think other local governing bodies are not under the disability that Harbour Boards labour under. Harbour Boards provide wharves and accommodation which the General Government do not pay for, and yet use. There is also the question of storage. Some of the Government departments claim to be exempted from any charge for that, and great injustice is done to some of the Harbour Boards in consequence.

9. *Mr. Hutchison.*] Do you not think the word "injustice," with the meaning you imply, is rather misapplied to the General Government?—I think not. We are either engaged in carrying out a portion of the duties of the Government of the colony or we are not. We are not a trading body. I consider that we are really carrying out certain of the duties of the General Government, which, for convenience, have been deputed to the local body; and it is unfair that the local body should be taxed as it is for the convenience of the colony as a whole.

10. Does it not occur to you that people get benefits from the Wellington Harbour Board which are not a necessity for the colony, and that it is a very necessary thing that we should endeavour to get something from them in the way of taxation, and that this may meet that to some extent?—I do not think so. I think the incidence varies unduly.

11. Then, you would prefer Wellington not to be in so central a situation?—That is not the question. It seems to me that we are being taxed twice.

12. *The Chairman.*] I quite understand, then, that the Board limits its application to complete dredging-plant, and that it does not mean any of the parts of such a plant—such as buckets or anything else, if imported separately?—That is the meaning of the Board. Personally my own views are different. There was one instance which came under my own notice. Some years ago there were lying on the wharf here two Priestman grabs—one for a Harbour Board and one for mining purposes. One was exempt from duty, and the other was dutiable.

13. That is the sort of thing I had in my own mind in asking the question. And you merely represent the views of the Board?—Yes, I represent the views of the Board, and not my own views.

(2.) Edward William Mills examined.

14. *The Chairman.*] Your name in full, Mr. Mills, if you please?—Edward William Mills.

15. What are you, Mr. Mills?—Iron-merchant and ironmonger.

16. And you have been a good many years in business, have you not?—Yes, forty-one years this month.

17. Now, you have various matters to bring before us, I think: will you kindly state them?—My object in coming before the Commission is not so much to state any personal grievance or to ask for any particular concession in my interest, or in the interest of my business, as really to point out certain anomalies in the tariff that I think might be removed. I gave evidence before a Committee of the House of Representatives somewhere about six years ago, and on looking back I find that all the evidence I gave then, and which I propose to give now, is borne out by what has taken place since. I stated that, having been proprietor of one of the oldest foundries of the colony, and also having for many years been in business as an iron-merchant, I felt capable of speaking on both sides of the question, and I gave certain information which in no case has been carried out, and the result has been just as I anticipated. The first items I will now take in respect of which I think some alterations might be made are agricultural machinery and implements. Ploughs and harrows are admitted free of duty, but some parts of the ploughs, when imported separately, are charged 20 per cent. duty. Of course, it was thought that in the interest of certain implement-makers in the South it should be so, but I find that with very few exceptions the parts are still imported—that is to say, the imported plough-fittings are considered better, and really are the patents of the makers at Home.

18. Do you allude to shares?—Yes, shares and other fittings.

19. Your contention is that in the present instance not only complete ploughs and harrows but also their parts should be admitted duty-free?—Yes, I think it would be in the interest of the agricultural industry. Then, horse hay-rakes are charged 20 per cent. duty. I think this is a part of agricultural gear that should be free also. It is not a great matter, really, but in the tariff there are found to be so many contradictions, and so many explanations are necessary, that even after eight years' experience of it one still finds great difficulty in passing an entry without going over to the Customs for an explanation, or without getting things hung up for explanation. I formed one of a committee which waited as a deputation on Sir Harry Atkinson six years ago, and I pointed out that after several years' working of the tariff it was found necessary every few weeks to publish a list of decisions. That is going on even now. I contend the tariff should be simplified. At present the items are so numerous, and in classification clash so much, that no one can say with certainty in many cases what is free and what is not. Chaff-cutters, corn-crushers, and corn-shellers

are charged 20 per cent., while turnip-cutters and root-pulpers are free. Of course, I have not come here to ask any favour in respect of these charges. I think it right, however, to bring matters like this before the Commission, and ask them to consider them. I think, in the interest of the agricultural community, which suffers by paying the duty, these articles should be free. Horse gears are charged 20 per cent., and these things are, as a rule, imported. I have seldom seen one that was made in the colony. I believe there are some, but as a rule they are imported. Machinery for corn-cleaning—that is, winnowing-machines—20 per cent. They cannot possibly be used for anything else but cleaning the seeds and corn.

20. Are they not made in the colony?—I think Andrews and Beaven, in Christchurch, are the only makers in the colony. There is an item that does affect me, but it affects also the shipping community—ships' blocks, 20 per cent.

21. Tackle-blocks?—Yes; they are a large item, and more especially they are bought for services on the coast.

22. There is no manufacture of these in the colony?—I think not.

23. *The Chairman.*] Do they not have iron runners?—Iron blocks are made by the engineering firms, Tangye's—and so forth. I think the wooden blocks should be classed as ship-chandlery and admitted free. Iron blocks are used more for land services, in connection with structures, engineering, &c. Wrought-iron water-pipes and fittings are charged 5 per cent., while iron main-cocks, although pipe fittings, and imported especially for them, and used in connection with them, are charged 20 per cent. We do not ask for a remission on pipes and fittings, but in charging 22½ per cent. for cocks we have had them thrown back on our hands. I think it is inconvenient to have these made a special item. Here is another item—I do not think there is much in it, but, as it has been put down by my shipping-clerk, I mention it: blacksmiths' tongs, and carpenters' baskets, which are charged 20 per cent. Blacksmiths can make their own tongs, and there is not very much, therefore, in that. However, as it is there, I mention it. Hammers—knapping-hammers, and hammers for breaking quartz and spalling—that is, for working stone for building or other purposes: they are charged 20 per cent., while all other hammers are free. It is a question whether they should not be on the same basis. Soldering-iron is another artificer's tool, and yet it is charged 20 per cent. It is a very small matter, and hardly worth taking up, but I mention it in the desire to have these matters simplified if possible. Hickory rims, if straight and cut to working lengths, are free, but if bent are charged 15 per cent. That is also not a big matter, but it causes trouble.

24. What do you ask in respect to that?—That the bents should be free as well as the straights.

25. Is there not an industry in bending in this colony?—It is a very small matter indeed. Then, reap-hooks are charged 20 per cent., while scythes are free. I think reaping-hooks should be admitted free. There is not very much in it. They are all imported, and the distinction is therefore very peculiar. Then, hubs or naves of elm are free, but birch, and all others not otherwise enumerated, are charged 15 per cent. That is another of the small items which cause considerable trouble without meaning much. I think the birch hubs should be free. They are not made in the colony, but are all American-made.

26. What is the duty now on them?—15 per cent. on all except elm.

27. You ask that all be free?—I think they should. I am only stating this for what it is worth. Ships' lamps—that is, riding-lamps and side-lamps—red and green, are now charged 15 per cent. duty, while, as ship-chandlery, I think they should be admitted free. You see ship-chandlery, broadly, is stated to be free, but certain items are picked out and a duty put on them.

28. These things can be made in the colony?—As a rule they are not; but the material of which they are manufactured would be imported.

28A. Then, a certain amount of labour is involved in putting them together?—Probably. Then, lathes for wood-working and machinery for wood-working generally are charged 20 per cent., while lathes for metal-workers are admitted free. I brought this under the notice of the parliamentary Committee that I mentioned before, and pointed out that even if a 30- or 40-per-cent. duty were put on these things they would still be imported. Mr. Ballance asked if they could not be made in the colony. I admitted there were as good workmen in the colony as out of it, but said these articles would still be imported. The patterns are a small fortune in themselves. It would not pay us to make them here for the next fifty years.

29. That argument would not apply to ship-chandlery?—Oh, no.

30. If you go on to exempt in every direction, by degrees you would have no duties at all?—These are really more simplifications than saving of duty. I pointed out to the Committee to which I have already referred that wood-working machinery was all imported in the interest of the wood-working industry—making doors and sashes, preparing and planing timber of all kinds, and that sort of thing. What I pointed out then has exactly occurred. For the last seven years we have scarcely imported one planing-and-moulding machine. Several persons came to me after the duty was put on, and directly I told them there was an increase of 22½ per cent., equal to about £40, on the machines, they said, "All right; we must leave them alone." Emery-grinding machines are free if imported by an engineer, but are charged 20 per cent. if imported by any one else. We imported one the other day for a man engaged in an industry at Palmerston, but because he was not an engineer he had to pay the 20 per cent. My shipping-clerk pointed out that if we had gone to an engineer and got him to pass the entry it would have escaped duty. Sheaves for blocks: metal ones are free, but if made of lignum vitæ 20 per cent. duty is charged. You see these are not large matters, or matters which involve a loss of duty, any of them. Tinsmiths' fittings, if worked by hand, are free, but if by power it is different, they are dutiable. These are suitable only for tinsmiths.

31. *Mr. Glasgow.*] You mean tinsmiths' machines?—Yes, and tools. It is not in my particular interest that I mention this. The only other item I have down is perforated zinc. That is

charged 25 per cent.; it is imported particularly for dairy purposes, or furniture-makers' goods, and things of that sort. It pays really 27½ per cent. duty. Plain zinc for building purposes is admitted free. I have nothing else on my list.

32. *The Chairman.*] In connection with the first item you have mentioned—agricultural machinery and implements—you mentioned that complete ploughs and harrows come in free. You think they should be free?—I think they should. I have had to send to Sydney for light garden-ploughs, which are not made in the colony; neither can we get the shares made here, and consequently have to pay 20 per cent. to import them.

33. That is exactly the question. Of course we all know that Reid and Gray, and firms like that, have taken the bulk of the trade in double-furrow ploughs, and so on. We are quite aware that a large number of shares are used in connection with these ploughs in the course of a year, and it is important that the farmer should have the best share at the cheapest rate. We have taken evidence to the effect that these shares can be made equally well in the colony, and equal to those that are imported. We have had shares produced to us and broken across, and have seen that they were good, and we have had it argued that some of the makers at Home have a secret in tempering iron which is not known here. Yet another competent witness says there is no such secret possessed out of the colony that is not known to makers in the colony—that although it is possible some shares made here are not equal to those imported it is perfectly certain that an equally good share could be made in Christchurch or Dunedin to those that are imported. Can you say whether that is so?—Having had large experience in a foundry, besides my mercantile experience, I think the shares made in the colony are rather an infringement of the patents of the makers at Home. They are a copy of the share made and patented by Hornsby and Howard, and Messrs. Howard have sent me a letter in which they ask me to protect them. These colonial shares are simply a copy of the shares manufactured at Home.

34. Is it not also true that the manufacturers at Home have not been slow to adopt the patterns of people who have been making these things out here?—Originally all these people made from the patterns of the English makers. Afterwards, when an improvement was made here, the English people followed suit.

35. Then, what is sauce for the goose is sauce for the gander. The only question that remains so far as we are concerned is, can we manufacture in the colony a ploughshare as good as the imported one? If so, why should we allow the Home exporter to send in a ploughshare to compete with the locally-made ploughshare?—What I say is, we do not import those which can be made in the colony. Reid and Gray have had to make them for their own ploughs, and we keep a dépôt for Reid and Gray's plough-fittings. We are the only people who hold a dépôt in Wellington for Reid and Gray's fittings, so as to save people loss of time in sending to Otago. We are not antagonistic, therefore, to the local makers, but quite the reverse. I say that any industry which can be carried on successfully in the colony should be encouraged. I say that the shares which have to be imported are those that are not made in the colony. The smaller and lighter garden-ploughs, of which we sell so many in the North Island, are imported. In the South they use principally the double furrow; and we do not import the double furrow, so as not to cut into their trade.

36. Then, with regard to corn-crushers and -shellers, it has been represented to us that these articles can be made equally as well in the colony as outside the colony?—I am not certain; that is all I can say.

37. Then you spoke of winnowing-machines: there are numbers of winnowing-machines made in the colony, are there not?—I only know of Andrews and Beaven's.

38. Do you say they are not made by P. and E. Duncan?—I am not aware.

39. I do not see anything else in your list that would really affect the duties very much. You made mention of knapping-hammers?—They do not amount to very much.

40. Then, about horse hay-rakes, surely they are made by a number of our agricultural-implement makers: I have seen them exhibited at agricultural shows from Dunedin to Christchurch?—The question is whether they were the exhibitors' own make. We have exhibited them several times, but they were not made in the colony. We have been almost the only exhibitors of agricultural implements here except those from the South.

41. *Mr. Hutchison.*] Does it not occur to you, in connection with corn-crushers and so on, whether it is not advisable to take off the duty where it is now charged, and add a duty to those articles which are not charged?—That is for the Commission to say. I have given evidence simply in the direction of simplifying the tariff. If a merchant pays 20 or 22½ per cent. duty, he does not simply add it to the price of the article, but the profit on that; so we do not lose by it. We put on our 10 or 15 per cent.

42. I am glad to hear you say so, because we have been told the merchants do not do it?—As a mercantile man, I see no reason to conceal it.

43. What reason is there why iron blocks should not pay duty? Ship-chandlery is stated to be free, and as a rule it is, but when we come to wooden blocks and some other things a duty is charged?—Home vessels do not buy them, but only coastal crafts; so that the free admission of these things is in the interest of local industry.

Mr. Glasgow: They are specified in the tariff as being dutiable. It is not a question of classification.

44. *Mr. Hutchison.*] Your reason, Mr. Mills, is that, as they are all ship-chandlery, the charging of duty on some and the admission of others duty-free is an invidious sort of distinction?—In a place like this, this ship-chandlery is used by local boats. Large shipping firms like the Shaw-Savill and Albion Company buy nothing of that sort out here for their vessels. Every drum of oil is bought at Home. I asked the agent once, "How is it we never get a line from you?" The reply was that they would go mad at Home if anything were bought in this colony.

45. Your opinion is that, instead of equalising things by working upwards with the tariff duties, we should equalise them by taking off in certain articles?—Yes, that is my opinion.

46. You suggest that the duty should be taken off certain articles because other articles of a similar character are not charged a duty at all?

47. *The Chairman.*] The point is whether it would not be as well to equalise matters by making them all dutiable?—I think it would. I think if the thing were equalised by charging a duty of 10 or 12½ per cent. upon all these articles it would be better than making some of them dutiable and some of them free. In the interest of simplification, it would be better than adding to the one or taking from the other. There would be no loss of duty, and there would be less friction and trouble.

48. *Mr. Glasgow.*] About bolts and nuts: you will know that bolts and nuts for carriage-making are free, and also for ships, while other bolts and nuts are dutiable. I admit that is causing a great deal of trouble?—I thought of that, and gave strong evidence about it on the last occasion. It was put to me, "Surely these could be made in the colony." I said Yes; but they were made in such large quantities at Home that, even if 20 or 30 per cent. duty was imposed, they would still be imported. We have at present in stock about 57 tons of them.

49. *The Chairman.*] You think all bolts and nuts should be free?—I think so, or at any rate charged an even rate of duty all round. I have no wish to escape paying a fair duty; but it is ridiculous to have all these anomalies.

50. I take it that is one of the reasons for the appointment of this Commission—that they should ascertain from people what these anomalies are?—I am not a believer in excessive duties. I think prohibitive duties are a great mistake, for they simply kill what they are intended to serve. After I gave my evidence before the parliamentary Committee I never saw it; but I am told that it was satisfactory, but that those who followed me simply went off their heads. One wanted a duty of 35 per cent. on ironwork, and others something else. As I say, that sort of thing kills itself. The population of New Zealand is not so large that it could start these industries, and pay for the costly appliances and machinery that are necessary, because there is not the demand here to pay for the thing.

(3.) John Edward Evans examined.

51. *The Chairman.*] What is your name, if you please?—John Edward Evans.

52. What are you, Mr. Evans?—I am a saddler and manufacturer of leather travelling goods, portmanteaux, and travelling-bags, but saddlery and harness primarily.

53. Have you been long in business?—Yes; I have been my own master since 1862 in Wellington—since my father's death.

54. Does your factory employ much labour?—Not directly; six or seven hands lately. It used to be more. There is a lot of work done outside for the shop.

55. What do your journeymen earn?—From £2 10s. to £3 a week. One man gets £3, and the rest get £2 10s.

56. You want to bring something before us, I understand?—I have brought with me a few scraps of leather and other things to which I wish to draw your attention. I am glad to see Mr. Glasgow here, because he and I have been over the matter a few times. In the first place, what I desire to point out in saddlery is that horse-rugs and horse-clothing are classed the same at the Customs as coats and trousers. These are charged 25 per cent., while, if they were classed as saddlery, they would only pay 20 per cent. I want to ask that horse-rugs, whether woollen or jute, should be interpreted as saddlery, and not as clothing, whatever duty may be fixed.

57. You pay 25 per cent. for them as now classified, under the head of "clothing," whereas if they were classed as saddlery you would pay 20 per cent.?—Yes. Next, I desire that the copper-plates used for printing leather to match hogskin be admitted free, as a tool of trade. They are made by an electrotype process at Home from a solution of copper, and are not manufactured in the colony. At present they are charged as copper manufactures, but they should be charged as a saddler's tool of trade. Now, with regard to leather, I wish to point out that the duty on imported harness-leather, bag-leather, and bridle-leather is 6d. per pound, which is equivalent to 33⅓ per cent.; in fact, it is equivalent to more than that, because every scrap that is wasted in working up the material pays duty, while the duty on English-made harness and bridles being only 20 per cent., they are, as a consequence, imported largely. Thus the tariff, while nominally protecting the tanner, really deprives the colonial harness-maker of work that might come to him. The result, in a general way, is that English buggy-harness, carriage-harness, bridle ware, and travelling-bags are imported largely. Now, here is a travelling-bag made in Melbourne, which I have brought with me to show you.

58. What is the duty on harness?—Twenty per cent. I have to import this bag in order to protect myself against other people. Here are also a few scraps of leather. I understand you have on the Commission a gentleman who understands something about leather, and if he will just look these samples over I shall be glad. That is English bag-leather in different colours, which I have to import for doing first-class work, and I have to pay 6d. a pound duty on it. I paid £2 a hide for them in England to start with. I can buy a hide here for £1 5s. I ask you, therefore, to raise the duty on the foreign-made bags to an equivalent rate.

59. What would be an equivalent?—Thirty-three and a third per cent.; that is what I estimate it at. I bought that bag in Melbourne for 4s. 6d. I have to import this class of goods, and keep it in stock. Why do I do so? Simply because Sargood and Co. are importing these bags by the hundred. In order to protect myself I keep it in my shop, not to sell, but to contrast with my better goods.

60. *Mr. Tanner.*] What is the duty on the manufactured article?—Twenty per cent., and the imported bag-leather 6d. a pound, or 33⅓ per cent.

61. *The Chairman.*] If the duty were reduced on the leather, what would be the consequence?—You would simply hit your own tanner, who has to bring in bark from Melbourne for tanning.

62. The only way, then, of equalising things is by levelling up these duties?—Yes. I do not care twopence if there were no duty on best goods; 4s. 6d. is the price paid for this shoddy German manufacture in Melbourne. I have to fight the importers of these goods. They are my natural enemies, and the real men who force down the rates for labour. I am handicapped also in other ways in connection with travelling-bags. For instance, while linings for hats, trousers, and other manufactures are admitted duty-free, the Customs interprets these linings for travelling-bags as cotton piece-goods, and charge me 10 per cent. on them. They are imported solely for bag-lining. One of the samples I now show you is called box-lining. It is used for portmanteaux; the other two I import specially for lining Gladstone bags.

63. This is common silesia?—Yes; and I have told you what we use it for. It is, however, called "cotton piece-goods" by the Customs, and charged for accordingly, while every other trade that manufactures gets its linings admitted free as "a. and m.s."

64. These are not cotton piece-goods in the common acceptation of the terms?—But they are charged as such.

65. What is the value of these goods per yard?—About 5¼d. they cost at Home.

66. All of them?—No. Box-lining is cheaper; I think, about 3d. at Home. I am giving the average price; it varies according to width.

67. What duty do you pay now?—10 per cent. as cotton piece-goods.

68. That is ½d. a yard duty on them?—Yes, I suppose it is. If the Customs want to make up the duty that may be taken off these goods I can give them a hint where they can make up what I propose they should take off.

69. Then, you ask that these be free?—Yes.

70. What amount do you use of this?—Well, we started manufacturing twelve months ago. I have had three lots of 50 yards. I have had about 300 yards in twelve months. That is about what we are using. It is a growing trade.

71. The Customs, then, are really not much interested in it from a revenue point of view?—Not very much. I have got the question before the Commissioner now. I have asked him to put it in the "a. and m.s." class. The next point in connection with bags relates to these small brass manufactures of which I now produce samples. They are used in making the bags. Here is a small brass clamp which the Customs have no hesitation in admitting free; but as for these other similar articles, called portmanteau-nails, of which I got out 10,000 by the last steamer, the department would not admit them free. Because they are called portmanteau-nails they charge a duty on them; they demanded 1s. 6d. They should have been admitted on the same terms as the clamps. We have them for nailing the leather on the wooden frame. That is the only purpose for which they are used.

72. A small thing like that throws so much trouble on the department. It should simply put so much duty on all nails, or else admit all nails free?—Yes; then you know what you are about. Speaking about leather, here is a leather we have had a good deal of trouble about in the past—that is, purse-leather and portfolio-leather. The bulk of it goes into Government use here, being used for making their despatch-bags. I merely mention that to give examples of the difficulties the Customs duties have caused us. This is enamelled leather, and because it was called enamelled-bag hide they detained it, although enamelled leather is free.

72A. Then, about portfolio-leather: what do you ask?—Let it remain as now (n.o.e., 1d. per pound). I mention it in connection with these leather spectacle-cases, which come in as spectacles, free, while the leather portfolios are charged 15 per cent. as stationery. Why not get 20 per cent. on them by being classed as leather goods. As I say, these leather spectacle-cases are admitted free, and yet we make them. I think they should pay duty as leather manufactures. Then, there are these leather covers for despatch-boxes. These things are imported by people in the trade, and sold as stationery. They come in at 15 per cent. Why should they not pay 20 per cent.?

73. *Mr. Glasgow.*] As to the portfolios, I would like to ask the witness a question: Are they not made of wood covered with leather?—Those I refer to are made only of leather. If you ask Whitcombe and Tombs to show you a leather portfolio they will show you this article. I have made scores of them for the Government departments. If there is an extra duty on buff a sample of the leather should be furnished, because there is an article named buff which is used for military accoutrements—shoulder-straps, in fact. It is a yellowish leather, and no bark is used in the tanning of it. It is a different thing from the buff used by bootmakers, I mean. I therefore say that I would like, if you are going to raise the duty on buff, to have a sample of the leather called buff. Shoemakers' buff and the saddlers' buff are two entirely different things. Then, ivory martingale-rings are another item that I wish to speak of. The Customs Department stuck me up in respect of them, and made me pay 20 per cent. on them, because they might be used for some other purpose.

74. Babies' teething-rings, I suppose?—Yes; that is it. Now, I ask that ivory martingale-rings should be treated as such if imported for saddlery purposes. Then, there is no such thing as saddlers' hemp, which is charged a 20-per-cent. duty as twine. There is shoe-hemp, which is put down in the tariff as grindery, and admitted free. Hemp is hemp, by whomsoever used; and there should be no 20-per-cent. duty on it as against one trade, while it is admitted free for the other trade. I have had an argument with the department whether purse pigskin should be free. If samples of these things were kept in the department, and they were given their true names, would not that be sufficient, Mr. Glasgow?

Mr. Glasgow: The officers have samples.

Mr. Evans: It seems to me to be left to the Landing Waiter.

Mr. Glasgow: Not at all. If there is any difference between the Landing Waiter and the importer the question is referred to the Collector, and, if necessary, is carried to the Commissioner. I would not recommend any textile fabric being made free for manufacturing purposes.

Mr. Evans: With regard to invoices, our trade is surrounded here by branches of English houses—that is to say, they have local houses here to which they send their English goods. They invoice their goods, I am told, at factory prices, while ours are invoiced at warehouse rates; and I am told we pay 10 per cent. duty more than they in consequence. Perhaps the Customs Department will take cognisance of that.

Mr. Glasgow: Yes, I will take a note of it.

Mr. Evans: The manager of Greatrex and Co. told me he was instructed to mark all goods at a price 10 per cent. higher than that at which they were invoiced.

75. *The Chairman.*] I understand that, as regards the anomaly which you claim exists in horse-rugs and horse-clothing being charged as though they were ordinary clothing for individuals, you would be content in either case—that as saddlery they should be raised to 25 per cent., or that the duty on all these goods should be brought down to an even level?—Either way it makes no difference. The competition is too keen to make any difference.

76. Then, as regards the rate on portmanteau requisites as compared with the duty on the complete portmanteaux, you say the duty is per pound on the leather goods, practically, 25 per cent. as against only 20 per cent. on the imported manufactured goods, and therefore the tariff is against the local industry?—Yes.

77. That, as regards bag-linings, you ask that they should be admitted free, as they cannot be used for any other purpose?—I do not know of any other purpose for which they can be used, and I should not use them for any other purpose. If the Customs wants more revenue there are druggists' sundries, and so forth. The fact is, the portmanteau and bag trade was not in existence when the tariff was made up, or these articles would have been put down with other trade linings.

78. *Mr. Tanner.*] Can you give us a better definition of "buff" that would be of service?—Leather used for military accoutrements.

79. But the term is extended to various other leathers?—Still, it is the same thing as shoemakers' buff, and which they formerly called "tweed." If they stuck to the duty there would be no objection. Did you ever hear buff straps called by any other name?

Mr. Tanner: I suppose the term came originally from "buffalo," and it is now used to denominate many and various classes.

[Mr. Evans promised to send the Commissioners a sample of buff leather, and Mr. Tanner asked him to forward a piece of satin hide as well.]

(4.) Frederick Morton Shortridge examined.

80. *The Chairman.*] What is your name?—Frederick Morton Shortridge.

81. Representing whom?—W. and G. Turnbull and Co., merchants, of Wellington.

82. What are the matters you wish to bring before us?—As regards tea-lead, we import it for wrapping up teas in 1lb. and ½lb. packets. On this tea-lead we have to pay a duty of 1s. 6d. per hundredweight, whereas imported teas packed in lead in Ceylon and India are free of duty.

83. That is only as regards the packages?—Yes.

84. That is to say, they pay only on the tea itself?—That is all; only on the tea.

85. And you have to pay on the tea and on the wrappers as well?—Yes.

86. You ask, therefore, that the wrappers be admitted free?—Yes. We pack locally. Our business is essentially a packing one.

87. What is the extent of that packing industry so far as you are concerned? How many people do you employ?—From fourteen to fifteen hands.

88. What wages do they earn? Are they boys or girls?—We have some boys and some men. We have one man we pay £3 2s. 6d. a week. He is general superintendent or foreman. Then we have two lads we pay from £1 5s. to £1 10s. a week, good strong lads, and the rest earn from 8s. to 15s. a week.

89. Mostly young people?—Yes; they begin at 8s., and gradually work up.

90. You are not the only tea-packers?—Oh, no.

91. How many are there in Wellington and in the colony?—Oh, I suppose there are about forty vendors of packet-teas, but only about twenty pack in the colony.

92. Would it be fair to assume that, as you employ fourteen or fifteen hands, the others would average ten hands each?—No; our business reckons second in the whole number.

93. Would they average five hands?—Oh, yes; more than that; six or seven hands.

94. According to that—taking the average as six hands, and the number of tea-packing establishments as twenty—they would employ about 120 persons, or, say, 150 young and old get employment in that industry: is that so?—That is so.

95. Is there any other question besides that of tea-lead you wish to bring up?—No; that is the only thing.

96. I suppose you get labels printed here in the colony?—Yes, all in the colony.

97. That, of course, gives some employment also?—Oh, yes, very considerable employment, because, as far as we are concerned, we have a great variety of labels, and these orders are distributed all round the colony. Some we get printed in Wellington, some in Auckland, and some in Dunedin.

98. I suppose you give employment also in the way of cartage, and that sort of thing?—Oh, yes. Of course labour in Calcutta and Colombo is very much cheaper, and we have to compete against that.

99. *Mr. Tanner.*] Do you feel any inconvenience in your tea trade—that is, in undue competition—from the importation of Ceylon and Indian teas ready packeted?—That is the very reason I urge that the duty on tea-lead should be removed.

100. *The Chairman.*] They are imported ready packeted?—Not always.

101. But there are teas so imported?—Yes; that is the reason why I urge that this duty should be removed, because we have to compete against the cheap labour there.

102. *Mr. Hutchison.*] How much, in pounds weight, do you put into your packages?—Forty 1lb. or eighty ½lb., or assorted cases containing twenty 1lb. and forty ½lb.

103. *The Chairman.*] Mr. Hutchison wants to know what are the largest-sized packets you make up?—Halves and pounds.

104. No 10lb.?—Oh, yes, in tins. But I am only alluding to the lead packets.

105. *Mr. Hutchison.*] You do not go beyond 1lb. with the lead packing?—No.

106. What do you reckon the duty on the lead packing of a pound of tea amounts to? Is it worth your pains to come here to want it reduced?—You see the fact is in the lower qualities of tea we feel the competition to be greater, because every little change—it does not matter how slight—makes a difference in competing for price.

107. But I suppose the added cost of the packet, by reason of the duty, is so infinitesimal that you cannot state it?—It matters a great deal to us, because we use 2 tons of this lead in a month.

108. *The Chairman.*] And the value of that is what? £1 10s. duty you pay per ton; how much per cent.?—We pay 1s. 6d. per hundredweight duty.

109. That is £3 a month for what you use?—Yes.

110. *Mr. Stevens.*] Do Nelson, Moate, and Co. pack more tea than you in the colony?—Well, we have never been able really to get at the amount of tea that they pack. We only presume they pack rather more than we do because they have branches in every centre of the colony.

111. Do you use Indian tea only, or Indian, Ceylon, and China teas?—We only take Indian and Ceylon at the present time. Of course, years ago we used to take China tea. It has gone out of the market now.

112. Why has it gone out of the market?—The public taste has changed. We have been importing and gradually introducing Indian and Ceylon, because they show a better value in cost.

113. That is to say, you get Indian and Ceylon teas cheaper?—Better quality at the price. The cheapest tea in the world is China tea—the commonest and lowest class—but we do not pack that.

114. Do you pack tea for the purpose of blending various kinds of tea, or do you pack it simply for the purpose of being able to enable the retailer to sell a pound at a time?—It is a larger thing than that altogether. The fact is, the object of blending tea is to turn out an article of uniform quality. It is impossible to do that if you were to pack it as you receive it from India and Ceylon. Under those circumstances, we could not supply a uniform quality of either kind, which we profess to do at present.

115. *The Chairman.*] One shipment would be different from another?—Yes. Two teas in one shipment would not be the same, although one lot may have been picked one day, and another lot the next day, from the same estate. It is a very varying article, and that is why the tea-trade all over the world has adopted the system of blending.

116. *Mr. Stevens.*] It also has the advantage of enabling you to mix superior with inferior tea?—No. So far as we are personally concerned, it is not with that object at all. China tea is very much more uniform than Indian and Ceylon. In India and Ceylon the varieties are so numerous—there are so many different classes of tea grown in different districts, and their flavour is so dissimilar, that I say the only way to work the trade satisfactorily, and to turn out a uniform article, is by blending the tea.

117. What is the duty on tea now, *ad valorem*, as compared with what it was, say, six years ago?—It is about 50 per cent. I think it is not six years ago since the duty was raised.

118. *Mr. Tanner.*] Seven?—Is it seven years ago? I thought it was less than six. It was only 4d. then, and now it is 6d.

119. *Mr. Stevens.*] *Ad valorem.* You purchase at first hand either from your agents at Calcutta or from the tea-gardens?—I do not see what bearing that question has on the matter I have in hand—lead packing.

120. But lead packets affect the price of tea to the customer, and I should like an answer. I think it has an important bearing, because that will be one of the greatest questions that will have to be considered in considering the duty on tea, and when we have an expert witness before us I think it is only reasonable that we should get what evidence we can.

121. *The Chairman.*] What Mr. Stevens wants to point out is what proportion to the value of the tea was the duty of 6d. per pound, and then, afterwards, what proportion to the value of the tea was the duty of 4d. per pound, *ad valorem?*—You see with some tea—for instance, what the retailer offers at 1s. 6d. up to 2s. 6d.——

122. *Mr. Stevens.*] I am not asking that question. What I am asking is this: What is the *ad valorem* duty on tea at this point now, and what was the *ad valorem* duty on tea six or seven years ago?—Well, the market fluctuates from year to year. It is very much higher now than it was the year before, for instance. I am sure I cannot recollect what it was six years ago. But, at any rate, there is no secret in the business. Tea costs from about 6d. up to about, I dare say, 1s. 6d. and 1s. 9d. in bond. We do not import anything higher than that. We sell a large proportion of the cheaper kinds here. I suppose the average value of the tea we sell most of would be about 9d., not the average of all the tea we import.

123. And, therefore, you pay 6d. now on that which costs 9d., and formerly you paid 4d. on that which cost how much?—About the same.

124. Is tea any cheaper now than it was seven years ago?—I do not think so; just about the same. As I say, this last year it was dearer than the year previous. I suppose, all round, the tea is cheaper than it was, while Indian and Ceylon tea is certainly cheaper, but then, you see, we used a larger proportion of China tea than we do now. The reason of the change is that the whole

world's demand is now so much greater for Indian and Ceylon teas that it has sent the market up again. But for a long time China supplied the largest proportion of tea all over the world, and it was cheaper then. Indian and Ceylon teas average much better prices, because there is a smaller quantity of it. In the last few years India and Ceylon have increased their output largely. Ceylon now has an export of over ninety millions, whereas five or six years ago it only exported forty-five or sixty millions.

125. Do you consider 6d. an excessive duty or a fair duty?—I think it is excessive.

126. Supposing the duty were altered, what would you consider a fair duty, assuming always that it is necessary to have a duty?—I think it is very necessary to have a duty, and I think 3d. or 4d. would be a very fair duty. We expect the country to require a revenue, and this is the easiest way of collecting it, and tea will stand that. Sixpence is rather exorbitant; the duty at Home is only 4d.

127. *Mr. McGowan.*] What will be about the cost of the packing of tea in small packages—the cost per pound? How much does it add to the cost of the tea per pound?—It varies from ¾d. to 1d.; cased ready for shipment, 1½d. to 2d.

128. Do you think, then, if tea were sold in bulk the public would get the advantage of the 1½d. or 2d.?—I do not think so; it is sold in bulk now.

129. But if it were sold as it was sold seven years ago?—No, I do not think they would be so well served as they are now. They are better served now, and the public get better value than they did five or six years ago.

130. Can you give us any reason for coming to that conclusion?—Because, simply through the system of blending, the small difference of 1½d. or 2d. a pound on tea is very small compared with the price asked by the old-fashioned grocer in days gone by. He put on a great deal more than that for his profit.

131. Do you know what was asked by the old-fashioned grocer?—I believe I am right in saying the old-fashioned grocers thought 1s. a pound was a fair thing in profit. I am not talking about ten years ago, but more than that—fifteen years ago; that is before Nelson, Moate, and Co., who were the first people to blend and pack tea in New Zealand.

132. No, not the first to blend and pack tea, but the first to blend and pack and offer for sale?—Yes.

133. It is rather difficult for me to grasp the position: that you add an additional cost of 2d. for the packing, and you do that and yet give the public the same value?—From 1½d. to 2d.; all depends on the packing.

134. Well, the theory is, I presume, that the superior ability with which the packer for the wholesale trade mixes it makes up for that increased cost?—That is so. Besides, that is simply a matter of the wholesale people wrapping it up against the retailer. A man has always to allow for wrapping up tea, whether he does it in a wholesale way or in a retail way. The grocer at the present time gets his tea packed, because then he has no further expense. He has just to hand out the tea to the customer.

135. *The Chairman.*] If it were not for that he would have to pack in his own place?—Exactly.

136. Supposing, now, that your suggestion were brought up by way of recommendation, and effect were given to it—namely, that the amount of the duty on tea were reduced from 6d. to 4d.—would the consumer get tea at 2d. a pound cheaper?—Yes; he would get what he is paying 2s. for now at 1s. 10d.

137. You do not think the merchants would be able to put it in their own pockets?—There is no doubt that for a long time it came out of the merchants' pockets when it was put on.

138. *Mr. McGowan.*] Until they started packing?—Packing had started before that.

139. *The Chairman.*] Is there competition enough among tea-merchants of New Zealand to prevent a remission of duty having the effect of putting money in their pockets as against the general public. Supposing there were only two persons engaged in the business, it is a very easy thing for these two men to agree together that they would not reduce the price?—Yes.

140. Well, is there competition enough among the tea-merchants of New Zealand to prevent that taking place?—Oh, decidedly; there is a great deal too much competition.

141. So you think the effect of the competition would be that dealers would sell to the people as cheaply as they could, and that if 2d. were taken off the duty the people would get the benefit of that reduction?—Yes; from experience in England, I would say we do the tea business here better than it is done in the United Kingdom.

TUESDAY, 9TH APRIL, 1895.

(5.) HARRY RANISH examined.

142. *The Chairman.*] What is your name, please?—My name is Harry Ranish.

143. You are a member of the firm of Wright, Ranish, and Co.?—Yes.

144. What is your firm in business?—Billiard-table makers.

145. Have you been long in business?—For about two and a half years now in Wellington.

146. Do you give employment to many hands?—Not so many inside, but a good deal of work is done outside.

147. How many employés have you, as a matter of fact?—About two and ourselves.

148. And what are the rates of wages in your business?—From £10 to £12 a week we lay out.

149. That is the amount of wages you pay altogether?—Yes, at the present time.

150. That is including yourselves?—Yes, it is including ourselves.

151. Well, now, we suppose you have something to say to us in connection with your industry: will you state it?—It is about slates. We would like to have the slates we put on billiard-tables admitted duty-free.

152. What duty do you pay now?—25 per cent. *ad valorem*, and the slates are not finished; they have to be finished on the frame.

153. They are imported in the rough?—Not quite in the rough; they are just smoothed off.

154. They are not finished?—No, they have to be finished here.

155. Slates only of a kind that cannot be obtained in the colony I suppose?—No, they can be got from Victoria; in most cases we get them from England.

156. What is the value of a slate for a billiard-table?—They are about from £5 to £6 at Home. Of course, there is freight to go on as well as the duty. The price is sometimes £7; it all depends on the thickness of the slates.

157. Well, then, the prices at Home range from £5 to £7?—Yes.

158. Anything else?—Of course, if we got them in for less duty, it would put us more on an equal footing with the imported tables.

159. What do the imported tables pay?—They pay 25 per cent.

160. That is the same?—Yes, and the imported tables are landed in Wellington for about £70 to £75.

161. That is the complete billiard-table?—Yes.

162. It would be a very small table for £75?—That is a full-sized complete table.

163. That is the cheapest price for a new billiard-table I ever heard of?—That is correct. The cheapest of our tables range from £85 upwards. We cannot make a new table under £85.

164. Do you mean to say that if you land any class of billiard-table from England the lowest price is £70?—They are from £50 to £55 at Home.

165. You mean that the value landed out here, duty-paid, is from £70 to £75?—Yes; of course, in some cases they run up to £90.

166. Are there any other articles in connection with the trade you have to import?—We import billiard-cloths, we import balls, and the cues in the rough, balls in the rough too.

167. Do I understand that you make the table of colonial timber?—We make the inside of totara, but for the outside we use either mahogany or Tasmanian blackwood.

168. Then, you import everything except the inside of the billiard-table?—Yes, the inside wood; of course, that amounts to very little timber.

169. Do you pay any duty upon Tasmanian blackwood?—We pay 5s. per 100ft. superficial.

Mr. Glasgow: 4s.

170. *The Chairman.*] What do you pay on the cloths?—20 per cent.; and for cues and balls, 25 per cent.

171. Can you figure up the total amount of duty you pay on the various articles you import in connection with one of these tables? I want to know the total duty you pay on all the articles you use in the construction of one billiard-table?—Well, roughly speaking, it would run from £5 10s. to £6.

172. Then, the difference in price between an English table, taking the top price, £75, and your lowest price, £85, is £10, out of which, say, £6 is accounted for by duty?—That is, roughly speaking.

173. Supposing the duty were taken off the articles you import, you would still not be able to produce a table so cheaply as the imported one by £4?—Yes; that would be near to it.

174. If that is the case, and the imported table is as good as your own, do you not think, if the duty were taken off, you would not be able to command the trade?—I do not look to having the duty taken off these things. I only ask to have the slates admitted free. I am quite agreeable to the other things paying 25 per cent.

175. Then, your request is limited to taking off the duty from the slates?—That is mostly. There are many small tables we turn out. That is the chief thing. Small tables are made at Home from £7 10s. to £10; here we charge £15 for them. The slate for them would be from £3 10s. to £4.

176. There is a difference in price between you and the English maker of a good deal more than the duty: how would the remission on the slates help you? Supposing I wished to buy a billiard-table, and I had to choose between one made here and one made at Home, you ask me £15 for the colonial one, but as the Home one is equally good, and could be had for from £10 to £12, I would naturally buy the cheaper one, would I not?—Yes.

177. How, then, would that help you?—I reckon if we got in the slates duty-free it would help us from £3 10s. to £4.

178. Is there any other request?—No; that is about all.

179. *Mr. Hutchison.*] Supposing you got this duty taken off, what benefit are the people of this country going to derive from that in any way? You now employ one or two persons: would you employ a dozen or twenty if the duty were taken off, or are you just going on as you are doing now?—There is one thing: If we are able to carry on, importing and paying duty on all these articles—the balls and the cues, which we import mostly in the rough—and pay 25 per cent. on the slates as well, then if that were taken off we could take another two hands on to finish them just as cheaply as at Home.

180. You fail to prove that you would be able to turn out tables as cheap as the imported ones. The Chairman pointed out to you that if the duty were taken off you still would be undersold by the imported article, and you acknowledge that, do you not?—Yes.

181. Then, how are you going to increase your trade? With an imported article equally good and perhaps better finished, or as well finished, and offered at a cheaper price, how are you going to compete with it? Will it be that people here will be desirous of encouraging the native industry at

the expense of paying £2 or £3 more?—I reckon that if you take off the duty on the slates it would be possible to turn out our cheapest table for £80. That brings it very near.

182. There is still a difference of £5?—Of course, the man who imports always employs agents, and that would about equalise matters.

183. That is rather important. You say that this imported table is practically not sold direct from the producer to the purchaser, but through a middleman?—Yes.

184. Then, the purchaser does not get it for the £75?—No, he pays about 5 per cent. more.

185. Then the imported table costs somewhere about £80?—Yes.

186. You produce now at £85?—£85 is the cheapest.

187. And you say if the duty were taken off you think you could produce at £80?—Yes; that has been our calculation.

188. *The Chairman.*] That is what we wanted to find out.

189. *Mr. Hutchison.*] I think, if I understood you aright, a table comes out in five divisions or cases?—In five cases.

190. Then, it will take some little setting up, will it not?—That is a mere nothing. Sometimes a table is landed here and goes up-country, and any cabinet-maker can do the setting-up.

191. But that is an item of expense?—If you bought it you have to send a man up.

192. Then, you think, if the duty were taken off, as you suggest, you would employ more men?—Yes, decidedly. About twenty to thirty tables are imported into the colony in a year.

193. What means have you had of ascertaining this?—I found that out in the "Journal of the Department of Labour."

194. *The Chairman.*] Are there other billiard-table makers in the colony than yourselves?—Not that I know of.

195. *Mr. Hutchison.*] Are you kept busily employed?—We were busy last year, but this year we are very quiet.

196. *The Chairman.*] In connection with that, supposing that you have only two men employed, and there are your two selves, how many tables can you make in a year with the present staff?—We turned out last year fifteen full-sized ones and half a dozen smaller ones.

197. So, therefore, if you had the whole of the tables imported into the colony to make you would be able to just about double your staff; that is all?—That is just it.

198. In connection with this duty that you pay upon slate, do you know that if you imported the slate sawn on not more than two sides, and not dressed or polished, you would have only 5 per cent. duty to pay?—Yes; but the holes on the sides are drilled in by machinery which would cost £150 to import, which would not pay.

199. With regard to importing timber, if imported in the rough it would only pay 2s. per 100ft.?—I thought it would be 4s. or 5s.

200. Dressed 4s., but if not dressed only 2s.?—It is mostly dressed when imported.

(6.) Dilnot Sladden examined.

201. *The Chairman.*] Your name, please?—Dilnot Sladden.

202. What are you?—I am manager of the Wellington Meat Export Company.

203. I presume you have some representation to make to us?—What I wish to draw attention to is the fact that considerable expense is entailed upon new industries in the importation of machinery and appliances. Upon these goods a duty—and sometimes a very heavy duty—is charged, and when once imported they can readily be copied, and of course there is no reason why they should not be. The result is that the first man who imports pays 20 or 30 per cent. more for his plant than those who come after him. I may give you an instance in point: Some two or three years ago we imported a desiccating plant from Chicago, upon which we were charged £170 duty. Had it been possible to procure the plans and specifications that plant could have been made more cheaply than the price we imported it at, and it has since been made more cheaply in New Zealand and Australia, and sold at a lower price than it cost us. So that, as the introducers of a very valuable description of plant, we were penalised to a large extent for bringing it in.

204. Do you ask that machinery of this kind should be admitted free of duty?—The style of words I think I used in my note to you was "machinery or appliances or systems not hitherto in use in the colony should be allowed to be imported free." You see, the result in that case merely was that other people might under certain circumstances, and can, compete freely with us, having procured a plant at a cheaper price than ourselves, although we bore all the burden and heat of first importing and testing it, and of finding out that it was suitable.

205. Is it not the fact that in nearly all cases that machinery such as you refer to is under patent?—Well, the Americans are very careless about patenting. This machinery is patented in America, but the American owners did not care about protecting it out here.

206. Then, it could not be pirated in America without violating the patent rights. In your case it was not so?—In the bulk of cases the American patentees are not protected here. The Americans look at New Zealand as being merely a small spot on the earth, and that it is not worth their while to protect their patents here. The other day we imported a grease-pump from Chicago, and, having got that, it can readily be made here now; there can be no difficulty in making it.

207. Well, I see that in your letter you bring up the question of the desirability of admitting free into the colony the first machine or installation of machinery of any class not hitherto in use in the colony. Your letter says, "I should be glad to have an opportunity of giving evidence before the Tariff Commission—(1) as to the desirability of admitting free into the colony the first machine or installation of machinery of any class not hitherto in use in the colony. In many instances the first importer pays a heavy duty upon machinery, which can afterwards be copied in the colony, and provides a large amount of work for the foundries and engineers' shops; (2) the

free importation of salt, especially Adelaide salt." Now, the question is: Can such a machine as you refer to be made locally at the same price as that at which it could be imported, less the duty? —Oh, yes; readily. Anything cumbrous and involving heavy castings or boilermakers' work can be made much cheaper here.

208. Notwithstanding that labour costs more here than in America?—Oh, yes; you could not afford to import a large boiler, for instance; it would be eaten up with freight.

209. In the case of the machinery you spoke of, was it bulky?—Yes, it was.

210. And the freight would come to a large item?—As a matter of fact, it was not heavy. By steamer it would have been several hundred pounds, but I got it by sailing-vessel.

211. Was the duty by weight or measurement?—It was special measurement. Bearing upon that, I may mention that a difficulty frequently arises where a steam-engine is first imported for some class of work the machinery for which is free. That is a difficulty that arises with the Customs. At one time steam-engines for freezing machinery would not be admitted free unless they were coupled with the machinery. This went on until the Wanganui works were erected, and then the late Mr. Ballance took an interest in the matter on account of the Wanganui company, and they then allowed, not only engines, but boilers to be admitted free. But there seems to be no continuity about it. Now, in the case of the pump I spoke of, which we imported the other day, they allowed that it was a speciality, but they said it might be used for other purposes than the boiling-down plant for which we imported it. We had to pay duty because they said that. Although imported for a boiling-down plant, they conceived the article might be used for some other purpose, machinery for which was not admitted duty-free. There should be some definite understanding on that point, and wherever a boiler, pump, or pipe is absolutely set into position in connection with a class of machinery not dutiable and forms part of it the article in question should be free of duty also.

212. Would it not meet your purpose and get over any difficulty with the department if it were provided that, so long as any such article as you mention was *bonâ fide* used in connection with any local industry, you should be able to obtain a remission of the duty or a rebate upon proving that it was so employed? You see the point is this: If you make the whole item free, no matter who imports it or what it is to be used for, you perhaps raise a difficulty that would be better avoided. We could avoid it by recommending that when the machinery was used in connection with such operations as you speak of you should be enabled to obtain a remission or rebate of duty upon proving that it was so used. Would that meet the difficulty?—Yes, that is the way we are dealt with when a remission is made. Sometimes a remission is refused on the ground that the machinery might be taken away from where you use it and be used for some other purpose.

213. *Mr. Hutchison.*] Which it could be?—Yes.

214. *Mr. Tanner.*] Do you consider that your proposal that new machinery to be used in the colony for the first time should be admitted free would meet with general approval—I mean in the industrial world generally?—Yes; I think the foundry and the engineering people would approve of it, for, in fact, they would reap the benefit.

215. Take an instance. With what feelings would the unemployed compositors now begging for work in this colony view the introduction of the new type-setting machinery?—Of course, I know nothing about type-setting. It is outside my line. What I have to do with are appliances which really largely increase and improve the exportable value of the country's produce.

216. *The Chairman.*] That is to say, you limit it to new machinery used in connection with exportable manufactures?—Yes.

217. *Mr. Tanner.*] You complain that after paying a heavy duty on the introduction of new machinery that machinery can be readily copied. How can it be copied without the consent of the proprietors of the machines?—In nine cases out of ten the proprietors do not care to patent it here. In one case I mentioned it was copied for New Zealand and for Australia, and in the case of the pump there is no difficulty in copying it.

218. Why not have obtained from America the drawings, which are frequently circulated?—I beg your pardon. I did write and offer to pay the cost if they would provide me with such working specifications that I might use. I was willing to pay not only the cost of making out the plans and working specifications, but also the patentee's royalty and the manufacturer's profit supposing I made the machine; but they did not seem to care about doing that.

219. *Mr. Stevens.*] There is a distinction in the tariff, I understand—that is to say, boilers for some purposes are admitted free, and boilers for other purposes have to pay duty?—As the Chairman put it, a remission is given in certain instances where the department are satisfied they are being used in connection with machinery which is not dutiable.

220. For example, you require a boiler for a boiling-down plant?—This was not a boiler of which I was speaking, but a special machine, more in the nature of boilermakers' work.

221. Could it have been made in the colony?—They have since been made in the colony. We have had the main portion of one made in the colony by Cable, who has also made two others.

222. What is the difference in cost between the imported one and the one made in the colony? —The one made in the colony was considerably cheaper. The original one we had brought out in sections, and that added a good deal to the cost of the manufacture; besides that, we had to pay the finished cost.

223. You, therefore, think the boilermakers in the colony could compete successfully with the foreign manufacturers?—I think so.

224. *Mr. Hutchison.*] I am glad beyond measure to hear that these things can be made cheaper in the colony, for the continual cry we have heard hitherto is that they could not compete with these imported articles, and you give us the first gleam of hope that they can?—Anything involving a large amount of boiler-work, and involving a large area of space, can be made cheaper here. The bulk of such things is so great that the freight is prohibitive.

225. But this is not boiler-work exactly. It was some special instrument?—The bulk of it was boiler-work—I mean that in riveting together the boiler-plates it was similar to boiler-work: it was boilermakers' work.

226. You consider you were penalised by the duty charged upon the importation of this new machine, and yet you allowed others to copy the machinery and make it without paying you for the £170 you paid for importing it?—Well, after a dozen persons or so have been about the works and seen the machine, and have compared their ideas upon it, it is not difficult to copy the thing. All over the world these things are copied. Unless you shut up the boiling-down and manure-works, it is almost impossible to prevent that.

227. This work was not of an intricate or difficult character at all?—It was so far intricate that we could not make it without seeing it or getting accurate working drawings and specifications. We can now get the appliance cheaper here than by sending to America for it. The point is, that we, having "paid the piper" by introducing this machinery, somebody else can now get it cheaper here by reason of our enterprise in paying the duty on its importation, and setting it to work in desiccating: that is the main point. It was a suitable thing, for many things are imported which are found not to be suitable, and have to be altered.

228. You do not grudge what is done in the interest of the colony?—I grudge that £170 very much.

229. Can you not get machinery of that kind in Great Britain?—No. This machine and those of two other American patentees are better for desiccating purposes than anything yet made in England, I believe.

230. You have no proof of that, have you?—I can give you the names of all the principal makers. It is better than Farmer's process, and it is being substituted for Farmer's in Australia. In Chicago people were driven by the health officers at one time to find a healthy means of disposing of the immense quantity of offal they had to deal with in the towns without giving offence to any one, and they had either to turn out of Chicago and form fresh towns or else find some means of overcoming the difficulty. After spending money in testing the question in Court, they were beaten, and therefore, instead of spending more money in law, they spent it upon scientific engineers, who found them the means of getting rid of the trouble.

231. And it has thus got rid of the trouble, and there is no danger of any kind?—Yes.

232. *The Chairman.*] Do you mean, in connection with the importation of machinery, that only the first importer ought to have the benefit of its being admitted duty-free?—That is what I mean.

233. The reason I put the question is this: Supposing there are two companies carrying on in New Zealand business of the same kind, and suppose both of them order this machine from America—one company, we shall say, for the sake of argument, is in Wellington and the other is in Dunedin—what happens if the one in Wellington gets its machine delivered a week before the other is delivered in Dunedin? Do you mean that because of this accident the Wellington company should get its machine in duty-free, and that the Dunedin company should have to pay duty?—I admit that difficulty, but I submit it is better that one man should get his machine cheaper because he is the first to introduce it, and the injustice would not be so great, because the other then would have the opportunity of having the machine made here.

234. But the two machines might be ordered by the same mail and come by separate steamers, and one steamer might arrive twenty-four hours before the other. In that case, assuming the distinction you suggest were made, one importer would pay no duty and the other would have to pay £170. Do you think that would be fair?—I do not think it would. I do not insist upon it if what I wish can be carried out in some other way. You might say within some reasonable period.

235. Now, with regard to salt, which is also mentioned in your note?—Cheap salt, for the currying of hides and so forth, cannot be produced in the colony. We are dependent on Adelaide mostly, and it pays a duty, I think, of 10s. a ton.

236. And you ask that salt should be admitted free?—Yes.

237. At any rate, from South Australia?—I would not confine it to that, but the question may be raised whether the local manufacture of the better salts should not be encouraged.

238. Is it rough or coarse salt?—This is rough evaporated salt. It is got from ponds.

239. Is it the same salt we are asked to admit free for agricultural purposes?—Rock salt is used for agricultural purposes.

240. That is for stock; but for dressing land?—That is cheap salt. That could be got; other than rock salt.

241. Not salt used for table purposes—not refined salt?

242. *Mr. Stevens.*] I can explain this matter. There is a salt called Black Horse salt, and the Black Horse salt agriculturists require to be admitted free, saying the Adelaide salt is not sufficiently good for their purposes?—I beg pardon.

243. *Mr. Hutchison.*] The treaty with South Australia will give you what you ask?—I should like to see the salt admitted free. To pay a duty of 10s. a ton on salt which is landed at from £1 17s. to £2 is very high. We have to use it for the hides in respect of which we compete with Australian hides, which come here with the salt in them.

244. *Mr. Stevens.*] Do you use the Adelaide salt exclusively or do you use also the Black Horse salt which I mentioned?—We use the Adelaide salt exclusively for hides, but we use Black Horse salt for a variety of purposes, but mainly for preserving meats.

245. What is the difference in price?—From £1 to £1 10s. more is charged for Black Horse salt than for the Adelaide salt.

246. And, therefore, the *ad volorem* duty on Adelaide salt is very nearly double what it is on Black Horse salt?—Yes.

247. Would you require the duty removed from Black Horse salt as well as from the other?—I think it would be a very great assistance to my own industry if it were removed. It is used for a variety of purposes—for instance, in the manufacture of the finer qualities of edible tallow;

its greatest use, I suppose, is for preserved meats. We do not use Adelaide salt for any of these purposes. It contains magnesia.

(**7.**) CHARLES TREVETHICK examined.

248. *The Chairman.*] Your name, please?—Charles Trevethick.
249. What are are you?—Brush-manufacturer.
250. In business in Wellington?—At the Hutt.
251. How long have you been in the business?—About sixteen years.
252. Have you many employés; or how many?—I think, nine at the present time.
253. What is the rate of wages generally?—Running from £1 16s. to £2 5s.
254. And the hands are all adults, apparently?—I have apprentices too, and two women.
255. And the wages you mention are the wages of male adults?—Yes.
256. What do the women earn?—From 16s. to £1 5s.
257. What do you pay the apprentices?—They start with 6s. a week, and rise 1s. every six months.
258. What is the value of your annual output at the present time?—About £170 a month.
259. What kind of brushes do you make?—All household brushware.
260. No American brooms, I presume?—No American brooms.
261. I presume you have something to say in connection with your industry; we shall be very glad to hear it?—I do not know that I have anything more to add than is contained in the letter I sent you.
262. Do you wish to put that letter in evidence; if so, we will read it?—Yes.

"DEAR SIR,— "Wellington, 12th February, 1895.

"I want to draw your attention to the imported German brushware, not necessarily imported from Germany direct, but nearly all the cheap brushware is from there, through London agencies, and I find it impossible to compete against it. The result of this is that, whereas four years ago I was employing twenty-four hands, it has gradually been reduced to nine, and if the industry is to be kept going there must be an increased duty. I found it far easier to compete under the old tariff, at a less protection, than I do now, for then there was only the English market to compete against. I have been making inquiry about this, and I find I am paying in wage, piecework, about 75 per cent. more than the German regular manufacturer, saying nothing of the prison labour. It is time that another 10 per cent. was put on brushware, including whitewash-brushes, which are now imported free, as artists' brushes: this should not be so. I have to pay duty on the leather and on the nails that mine are manufactured from, and then compete against a free article. I ask that card-leather, as used in the manufacture of whitewash-brushes, be admitted free, also nails specially invoiced to brush-manufacturers, as wire is now; and, in respect to brushmakers' material, that they all be admitted free, and that a clause to that effect be inserted in the tariff.

"I do not think I am asking too much in this. I am paying a good wage, and I want to keep the thing together. Many lines I am selling at cost, and below, to get the other class of brushware that pays better. Any information you may want I will readily adduce. Hoping this will receive your favourable consideration, "I am, &c.,

"C. TREVETHICK.

"The Chairman of the Tariff Commission, Wellington.

"P.S.—I think, too, that in all railway contracts colonial brushware should be specified; and in other Government contracts. Why not?—our productions are just as good."

263. In connection with that, I may tell you we have had this question of German labour, and particularly prison labour, brought up by brush-manufacturers at two or three other places in the colony. Do you know any means whereby the prison product can be distinguished from the free-labour product?—No; I do not know. Three years ago I went Home to make inquiries, and see whether I could do anything whereby I could make my business more successful.
264. And you could not suggest any means of distinguishing those goods?—No. There is a law in England to the effect that all articles produced in and imported from Germany shall be marked "Made in Germany," but that does not meet the case.
265. The point I wanted to get at is this: What is represented to us is that the articles made in the German prisons are not allowed to be sold in Germany, and that, therefore, they are exported to the London wholesale brush-merchants, and that they send these articles out here just as they would ordinary English-made brushes, and that there are no means, therefore, of distinguishing them; so, if we were asked to recommend that a special impost should be put on the prison-made articles there would be no means of enforcing it: is that so?—That is so.
266. Then, the only remedy is a high rate of duty on the whole imported brushware?—That would cover the prison-made as well as the other articles. There is one class of brushware that is more particularly cheap—that is in shoe-brushes, black-lead brushes, and scrubbing-brushes.
267. Then you think a specially high duty should be put on these particular things?—I think so.
268. Because these are articles that are particularly made in the prisons?—Yes; the competition is not so keen in other goods as it is in the cheaper work.
269. In fact, the labour is not so skilled in the prisons?—No; in high-class brushware, where the price is run up in material, it is not so hard to compete. Where the competition comes in and presses us hard is in the cheaper goods, where there is no margin of profit.
270. The present rate of duty is 20 per cent. *ad valorem*: what would it have to be raised to on this particular class to prevent them coming in to compete against you?—I will give you an instance of what I say by mentioning one line that was offered to me in London. Black-lead brushes that I was paying 7s. 6d. a dozen for in labour and material I was offered in London at 2s. 9d. a dozen.

271. Then, it follows, does it not, that you would want 200 per cent. duty?—No, I do not want that, because that is only a particular line. In lines like that I have to make to sell at less than cost, in order to insure a sale for other lines—hair brooms and brushes for balusters.

272. Assuming the public would buy the cheaper of the two articles, both being equal as regards their quality, what would be the amount of duty that would have to be put on this rough-made brush to bring it on a par as to price with the article you produce?—Oh, I think we might do it at 30 or 35 per cent.

273. And yet you say certain ware which would cost you 7s. 6d. a dozen to produce you can buy at 2s. 9d. a dozen in London, and that a duty of 35 per cent. would enable you to compete with it?—I have been working on these lines for a long time. In fact, I am content, with these slight lines, not to make a big profit as long as I can secure the other.

274. In other words, you say that, generally speaking, your grievance will be cured if the present duty of 20 per cent. is raised to 30 per cent.: do I understand that?—Yes.

275. Then you ask, in connection with the industry, that the article known as card-leather be admitted free: would you explain to us what card-leather is?—Leather we use at Home about woollen mills. It is specially manufactured for them.

276. Is it an article that can readily be distinguished from any other class?—Oh, yes.

277. No trouble with the Customs now?—Oh, no.

278. Can it be used for any other purpose than that you mention?—No.

279. Then, you also ask that nails used in brush-manufacture be admitted free: can they be distinguished from other nails?—Yes; they are quite a separate make.

280. Brushmakers' nails, then?—Yes.

281. Can you explain in what respect they differ from ordinary nails?—They have a very large head, are hand-made, and the clout is made very slight. They are used for nothing else. They are made expressly for brushmakers.

282. Can you give us a list of the materials which you say should be admitted duty-free?—All brushmakers' material is now admitted free.

283. And these are only two additional items?—Yes. I thought it better to bring them under your notice, in case an alteration should be made in the tariff.

284. Then, you say that, owing to the competition of the imported article, particularly of the prison-made article, your trade has fallen off, and that, whereas you were employing twenty-four hands four years ago, you are now employing only nine hands. Do you mean to say that if the duty were raised by only 10 per cent. it would restore the balance so that you would be able to compete on even terms?—It would be a great help towards it.

285. And you would be content if that recommendation were agreed to?—Yes; it is a reasonable demand. I do not ask for a prohibitive duty.

286. *Mr. McGowan.*] Do you mean to infer that those prison-made brushes which were offered to you in London at 2s. 9d. a dozen were equal to the brushes you produce at a cost of 7s. 6d. a dozen for labour and material?—In the make, no; but they involve the same amount of material in the making.

287. But you see the impression first given to us was that it was an equal brush. Now you say it was not an equal brush?—No, but it involved the same amount of labour. Where we get the advantage of the German labour is that we put in a better-class material.

288. Do you make any brush of similar or nearly similar quality to the brush which was offered to you for sale at 2s. 9d. a dozen?—No, I do not.

289. Do you think such a brush would have a great sale in New Zealand if introduced here?—There is a class of people who will always buy a cheap article, independent of quality, if the finish is good.

290. But you spoke of black-lead brushes, and many people would not use them?—There is a large quantity used in New Zealand.

291. What is the average cost in labour and material of the brush you produce? You commence, I suppose, at 7s. 6d. a dozen: is that your lowest?—It would be about 2s. in material, and the rest would be involved in labour.

292. But I want to know what is the cost of the cheapest class of brush you produce. What are you prepared to sell it at?—7s. 6d. a dozen.

293. What would the highest be?—Twenty-two shillings a dozen in black-lead brushes.

294. Now, the average you would sell most of would probably be?—About 12s. a dozen.

295. What I want to come at is this: Do you think there is any great danger of your trade being very materially affected by this particular cheap brushware?—Oh, yes; it has been.

296. You can give no idea of the extent to which your trade was affected?—Four years ago I employed twenty-four hands; now I employ only nine hands.

297. You do not mean to say that is altogether owing to the competition of this class of goods?—I do.

298. Is it not likely to be because more people are now engaged in the manufacture?—I do not think so.

299. *Mr. Hutchison.*] I did not catch what you wrote about Government contracts. What does your letter say?—I asked that all Government contracts for brushware should specify that the article to be supplied must be colonially made. Why I asked that is because there was a contract out at the time for the railway works; that contract has been taken up by one of the merchants in Wellington, and I believe, to a large extent, the English goods will be put in. I have tried to get it, and, I believe, will get some of it; but they have English goods in to supply. I think these goods should be colonially made.

300. Was it to be tendered for by itself, or was it included in other items?—It was included with other items, under the term "general ironmongery."

301. Then, do you not think you had better speak to your member, and ask him to do what he can to get brushware contracted for by itself, and the condition laid down that it shall be colonially made?—That is not our business.

Mr. Hutchison: I should have thought it was part of your business, and that if taken up it would have force as one of your recommendations.

302. *Mr. Tanner* (to Mr. Trevethick).] You are of opinion that the German brushes do not come direct from Germany, but come through English merchants?—Yes.

303. Are you aware that that is borne out by returns we have, which show that the direct importation from Germany is very small indeed?—Yes. The manufacturers have agents in London.

304. Are you aware that very large quantities of brushware and other goods—the cheap kinds—are largely made in the prisons of the United States and that they have to find a market outside of the United States?—I do not think that is so in the case of brushware.

305. Would brooms be classed with brushware?—I suppose they would be, but they are not in our line. It is a line of itself.

306. It would not come into conflict with your trade?—No; there is only one prison that I know of, besides the German prisons, that is turning out brushware; that is the Clifton Reformatory, Bristol.

307. Has one not been started recently in one of the western States of America?—I am not aware.

308. *The Chairman.*] Do you manufacture painters' brushware?—No, I do not.

309. Because it appears it is manufactured in some of the establishments in the colony, and we were asked to recommend that painters' brushware should also be subject to duty. There is another matter: we have had representations from, I think, not less than three manufacturers of the same kind of goods as yours, and I noticed that in all instances they asked for a duty of from 40 to 50 per cent. They say it would not be sufficient unless it were 40 per cent.?—I do not ask for that. I only want to place myself in a position to compete for the higher class of goods.

310. In connection with tendering also for Government contracts, it was pointed out down South that the same thing occurs as you have mentioned—that tenders were called for brushware, together with general ironmongery, and we were asked to recommend that that practice be departed from, and that brushware be separately specified in inviting tenders for supplies. You concur in that?—Yes.

311. What quantity of nails do you use in the course of a year?—Not more than a hundredweight, or a hundredweight and a half.

312. Then, that is not a matter of importance, as the duty is only 2s. a hundredweight. That would not be much, but in card-leather I think it is 20 per cent.

(8.) William Hutchison examined.

313. *The Chairman.*] Your name?—William Hutchison.

314. What are you?—A bootmaker.

315. Do you appear here as a delegate of the Wellington Bootmakers' Union?—Yes.

316. I think you have some matters to submit to us. Are you the secretary of the union?—No, I am one of the committee of the union.

317. Will you state the matters you wish to bring before us?—It is merely an indorsement of what was done by the Christchurch union. We want to be unanimous right through.

318. You have seen the schedule of proposed duties prepared by Mr. Frostick. In conjunction with that, there was a meeting held at Christchurch of the representatives of the bootmaking trade and the representatives of the currying trade. I do not know whether they have forwarded you their list?—Yes, I have it here.

319. Will you let me look at it for one minute?—Yes.

320. I think that is the same paper that was brought to us. You have had nothing since, apparently?—No, that is the only communication on the subject.

[For Schedule of Duties, &c., see pages 67, 68.]

321. You put that in as a paper received by your union from the union at Christchurch?—Yes.

322. And your union concurs in these recommendations?—Yes.

323. Have you received from the persons who forwarded this paper to you further papers that were submitted to the Commission some months later in Christchurch, being the result of an interview between the curriers and the bootmakers, and in which they set out a schedule of duties for leathers?—No.

324. Have you anything to add to what is stated in that memo.?—I do not know that I have anything further to state, except that I think if that were carried out it would do the trade a great deal of good, seeing that now so large a quantity of boots and shoes are imported into this country every year. In 1893 there were over fifty thousand dozen pairs imported. I think this is the only means of reducing that import at all—viz., by having a high fixed duty, and a percentage too. It will cut both ways. I think it will improve the boots coming into the colony, and therefore it will do good for the boot-buying public, whilst protecting us too.

325. Did your union appear before us?—No; we did not.

326. How many men are employed in the trade here in Wellington?—I think the number is about a hundred and fifty.

327. *Mr. Tanner.*] Does that embrace every man in the trade? Is every man in the trade in the union?—It only gives the number of factory-men.

328. Then, that does not give the number of men in the trade?—Oh, no; I could not say exactly how many men there are in the trade. That is only the number of union members, and means only factory-men.

329. Probably there is about double that number here?—Oh, no; the number of other men would be very small; there would not be twenty or thirty more.

330. Then, a couple of hundred would cover the total number of hands?—Slightly under two hundred.

331. Supposing the recommendation of the Christchurch union were agreed to, what would be the effect? Would it afford any further amount of employment in Wellington?—I think so. Of course, as we are at present going on, work is very patchy—really only eight or nine months in the year.

332. If duties were put on, would it cause the current of trade to run in the direction of local manufacture instead of in the direction of the imported articles?—Yes; because we have found it so with the present duty.

333. What proportion of the consumption does the imported article represent in relation to the local article? Are there as many boots imported as are made locally?—I cannot answer that. I do not know how many boots are made locally.

334. Can you give us any idea of the measure of increased employment that would result if the bulk of the imported articles were replaced by local manufacture?—It would make a great difference.

335. Then, you ask for special duties on the imported goods, with the view of securing the trade for the colonial article. Supposing you succeeded, what difference would it make in the matter of employment? Have you any means of judging? You say there are now not quite two hundred persons employed in connection with the boot-making industry in Wellington; how many more would be employed supposing you had this trade?—It would affect some two thousand odd.

336. Do you mean to say you would multiply by ten?—I am speaking about New Zealand.

337. I am speaking about Wellington?—Well, it would be in proportion to that over New Zealand.

338. I cannot get the proportion unless you tell me how many there are in New Zealand now. Would you employ three where you now employ one? Have you thought of it at all?—We worked it out pretty well. We speak generally—all over New Zealand.

339. You speak very roughly?—We estimate that if boots were not imported there would be room for about two thousand more men in the colony.

340. How many are there employed in New Zealand altogether?—Some eight hundred, I believe, in the trade.

341. When you say that eight hundred are in the trade, do you mean that eight hundred are connected with the unions?—Yes; that is only roughly.

342. *The Chairman.*] Then, you think if the duties were increased, as suggested, that eight hundred would be increased to two thousand?—Yes.

343. In other words, you would increase by about 150 per cent., is not that so; that if you have two hundred in Wellington now you would employ three hundred more; that is what it would mean. Is there anything else you would like to say?—I do not think I can add anything more. I was not prepared to answer the questions submitted to me. The deputation has not appeared; it should have done so; I mean the others have not.

344. When you come and ask for increased duties, with the view of developing your own industry, we naturally want to calculate what additional employment it would give; and you should have been posted up in that. Well, the next point: Have you thought what the effect of the duties would be as regards the consumer? Supposing these special duties were put on the imported article, and that the imported article were practically excluded from the market, would the price of the locally-made article be increased by the amount of the duty, or anything like it? Would the consumer have to pay more for a pair of boots than he has now to pay?—He would have to pay more for the imported article, no doubt.

345. But would he have to pay the local bootmakers a corresponding increase upon the locally-produced article?—I hardly think so, because I think the competition in the trade would afford the means of preventing any ridiculously high price.

346. You do not think there is any possibility of a ring to keep up prices being formed in the trade?—I do not think so.

347. *Mr. McGowan.*] I gather from your evidence that your greatest difficulty is with the cheaper class of boots?—That is the greatest difficulty to contend with.

348. Then, if you had a duty put upon these boots sufficient to prevent their coming in you think that you would be enabled to sell your locally-made and better boots?—That is so.

349. That is, you would compel those who at present buy the cheaper boots to pay something higher for the locally-made boots?—Well, I do not think so.

350. No higher than you are at present charging? But you say the cheaper boots are those you find a difficulty in competing against, and you want a duty put on them?—Yes.

351. Does it not necessarily follow that the consumers will require to pay a little more for the locally-manufactured article when they cannot get the imported article?—I do not think they will have to pay more.

352. Why, then, do you want the duty?—Because they are imported at such a low price.

353. That is what I say. The low price is what you contend against, and you want the duty to prevent the low-priced goods coming in?—Yes.

354. And if they do not come in the consumers must necessarily use your boots?—Yes.

355. Then, they must be something higher in price than the imported ones?—Yes, they would be. But they would not be much in advance, taking freights and other charges into consideration.

356. *Mr. Tanner.*] Has your union considered this question as a union?—Yes.

357. Has the paper you have given in been read to them and properly discussed?—Yes.

358. Has it been adopted as an expression of their opinion?—Yes.

359. Do you know any country where a double duty has been imposed?—No, I do not.

360. Is it novel to you?—It is.

361. Would not the effect be to increase the price of low-class goods?—It would be.

362. Would there not be a greater advantage to the public in insuring them an article of better quality than that of the cheap imported article?—Yes.

363. Have you carefully gone through the scale of proposed rates in that scheme? Does it not strike you that the additional duty on the higher-class boots would be very low?—I do not think it would be very low. There is a fixed duty.

364. Is it a fact that under the present rate quite a number of high-rate goods are imported into the colony—that the importation is not confined to the cheap low-grade goods?—Yes.

365. Do you know the "K" boot?—Yes.

366. Has it not been imported largely?—Yes.

367. And the Cookham boots?—Yes; they are not so much imported now as they were. High-class boots are not the standard now that they were.

368. As regards price or quality?—Quality.

369. What is the price to the public?—The price to the public is not so high.

370. Does that mean that the importers have somewhat reduced their profits in order to be allowed still to import—that they still import the same class of boots, and sell at a lower price?—They do not import the same boots as before.

371. They import other goods?—The "K" boot was not known ten years ago.

372. Yes; but it is known now?—Yes.

373. You have not been authorised to make any statement with regard to any proposed duty on leather?—No; the Wellington union have nothing to do with that.

374. You adopted that part of the letter which you have put in, which relates to your own trade?—Yes, we left the leathers to the tanners.

(9.) Thomas Corlet examined.

375. *The Chairman.*] What is your name?—Thomas Corlet. I am a currier by trade.

376. Are you carrying on business on your own account?—In one way I am, but not in another. I have a contract for dressing leather for Mr. Chapman. Really I could be dismissed at a week's notice.

377. You are not employing labour?—No. I am not employing labour.

378. You are a working currier?—That is it.

379. You want to bring under our notice something affecting your industry?—I represent the class of younger curriers that is now coming on—those that are coming out of their time, and these are the young fellows who have to look to the country for their living. We have gone carefully into this matter of the tariff, and there are several little items that I think might with advantage be altered. In the first place we have kip, cordovan, levant cow, and levant horse at a duty of 3d. per pound. Kip is the main line that is turned out for the boot trade of New Zealand. That, at 3d. per pound, equals about 20 per cent. There is very little kip imported, because 3d. per pound keeps out the Australian and foreign production. Cordovan at 3d. per pound runs to 12 per cent. There is very little of that dressed now in New Zealand. We think that if it were taxed according to value—say, about 20 per cent. *ad valorem*—that would meet the case very well. It can be dressed in New Zealand.

380. What you propose is that cordovan should be 20 per cent. *ad valorem?*—Yes; as to kip, we are satisfied.

381. What is the next thing?—Levant, cow and horse; that is somewhere about the same thing. At 3d. per pound the duty comes to about 10 per cent.

382. You want it raised to 20 per cent. also?—Yes.

383. Then, as to kip, you do not want it altered?—Yes; I think we can manage at 3d. per pound.

Mr. Glasgow: The tariff term is "levant, cow- and horse-hide."

Mr. Corlet: What they call cowhide are straps for slippers; levant has a grain.

384. *The Chairman.*] And may be prepared from the skin of cow or horse?—Horse or goat.

385. You want that raised to 20 per cent.?—Yes. Then there are belting-, harness-, and bridle-leathers and legging. These are now at 6d. per pound; that runs to 33 per cent. At the present time they can bring in the leggings and the bridles and the harness, made up by labour outside New Zealand, at 20 per cent. *ad valorem.* They can afford to pay the 20 per cent. *ad valorem* on them, for by importing the goods made up they have no loss on it; they have no offal to cut away, and no waste, as there would be in working up the hides, and really it is 10 per cent. cheaper.

386. You ask that that should be raised?—I ask that this duty, at any rate, should be made to meet the other.

387. Either that the duty be raised on the imported manufactured goods or reduced on the raw material?—We ask that the duty be raised on the imported made-up article.

388. To 33 per cent.?—Yes. I think that would bring the two together. Legging, of course, comes under the same thing. Legging is imported at 20 per cent. *ad valorem.* Then, bag-leather is 6d. a pound, which equals 25 per cent., or close upon it, and yet the made-up bags, with no waste at all, can be imported here at 20 per cent. *ad valorem.* I was in three places in Wellington the other day, and the goods made from New Zealand leather which they had did not form one-fifth part of what they had in stock. They had all imported from Victoria. The quantity of bags made up which they had imported from Victoria was surprising. Rather than make them up here they imported them, because they got them cheaper in that way.

389. You ask that the duty on the imported bags be increased to 25 per cent.?—Yes, so as to bring the two things together. Then we come to buff and split, American imported. We find that on these they pay 2d. a pound. It has been said that buff and split cannot be manufactured in

New Zealand to equal the American, but I hold that it can be, and I see no reason why it should not be. We have everything good in our favour—good hides and good tanning—but this 2d. on the American buff is killing the trade to-day. It should be raised to 4d. a pound at the least. Then we come to East India kip. That is another importation that comes in at 1d. a pound. On the value of it that is really only 1 per cent. This kip, too, they reckon to be a first-class article. About four months ago I got some leather for Mr. Chapman, and got it made up. I took it to three bootmakers in Wellington, and not one of them could tell me whether it was French calf or East India kip.

390. *Mr. Tanner.*] Was Mr. Hannah one of them?—No; a better man than Hannah.

391. *The Chairman.*] You think a duty of 1d. a pound is not sufficient?—Far from sufficient.

392. What do you want, then?—The duty raised to 4d. a pound at least. Manufacturers can buy it at 1s. 10d. duty-paid. The most we can get for light kip is 1s. 5d. A duty of 4d. a pound is giving them 1d. a pound advantage against our best kip. Still, I think we can live against that.

393. The net cost of the thing is 1s. 9d. With 1d. duty, therefore, the imported article costs 1s. 10d., and you sell the locally-made article at 1s. 5d.?—Yes.

394. Then, you have the advantage already?—The difference is this: the offal comes off; there is no waste in the imported article.

395. The only way to get an idea of the difference between the two is for you to tell us what amount you would get for a skin after the offal comes off?—We would not get more than 1s. 8d. at the outside.

396. *Mr. Tanner.*] Have you tried?—Yes. We have sold it at 1s. 8d. with the offal taken off. But when you come to sell offal, they will give you about 9d. for it. That is where the difference comes in.

397. After all, you come in just as well as the imported article, as far as I see?—No, we cannot compete against it.

398. What you say is this: You take a skin, and get 1s. 5d. for it all round, but a certain proportion is offal; the other skin comes in without the offal, and fetches 1s. 10d.?—Yes.

399. Very well. You say if you had your skin trimmed you would get 1s. 8d.?—Yes.

400. Why do you not get as much as the imported skin would bring?—It is the name that the other has.

401. As a matter of fact, is it as good?—As a colonial, I say the imported article is not so good. I say the colonial is equal to the East India, and, in my opinion, is better, if anything. It is equal for wearing.

402. If the colonial article is equal, why does it not command the same price in the market?—I cannot say.

403. That is generally a pretty good test?—I do not think it is. I was talking to a man about this the other day. He was speaking about bridle-leather. He said, "When we want a good bridle we import it from England made up." I said, "Why?" He answered, "Well, I have to pay 20 per cent. on it that way; on leather we pay 33 per cent." I said, "Will you give us 33 per cent. on our prices if we cut the offal off, and let you have it the same?" He could not see through that. The other has got the name of English goods, and, of course, it would sell anywhere.

404. You say, then, there is a prejudice in favour of the imported article?—I say the English article will sell before the colonial article, no matter if the colonial is a better one. That has been our experience in competing. The next subject I have to bring up is as to persian, roan, sheep and lamb, and goatskins. On the persians we find there is a duty of 2d. a pound. That runs to about 3 per cent. They say that persians cannot be manufactured here. But I see no reason why they cannot myself, because a real persian is a goatskin—that is, most of them that are brought here. There is plenty of the same article in New Zealand, but 2d. a pound on the manufactured article is not at all sufficient. The average weight of a dozen persians would run to 10lb. or 12lb. That is a mere nothing, and the selling-price of the imported articles is £3 per dozen These, I hold, could be manufactured in New Zealand with advantage, and it would give the currier and tanner some little chance if the duty were raised.

405. What duty do you ask on persians?—20 per cent. *ad valorem*, the same as the others. For manufactured roans brought into New Zealand the duty amounts to about 13 per cent.—that is, 2d. per pound. I think they can be left at that. I do not ask for any increase in duty upon that article.

406. Next?—The next is goatskin. That I know can be manufactured. That is 2d. per pound, equal to about 4½ per cent. We think the duty should be somewhere about 20 per cent. *ad valorem*. That would bring matters a little closer. That is all in the leather business I think I need point out.

407. Have you had any communication from the curriers in any other part of the colony with regard to a suggested scale of duties on these articles?—No; none at all. It is a matter of local industry.

408. The reason we put the question is this: The bootmakers and curriers of Christchurch had a conference with regard to this question of leather. They agreed mutually on a tariff, giving and taking on particular items. They said they forwarded that to the trade in Wellington?—Well, of course, as regards the trade in Wellington, there is no organization in it.

409. Then, you have not seen it?—No.

410. Then, do you represent any one but yourself?—Myself and other young fellows.

411. But you are not here as representing any organization?—I do not represent the curriers as a body.

412. You represent the views of other curriers?—Yes, the younger fellows.

413. And in talking with them you think the opinions you now express are an expression of their opinions?—Yes.

414. You claim, then, to be an exponent of their views?—Yes, exactly.

415. *Mr. Stevens.*] With respect to the duty on the dressed hide, were bullock-hides not worth a great deal more money ten years ago than they are worth to-day?—Yes.

416. Was the hide of a full-grown 800lb. bullock worth £1 5s. ten years ago?—Yes.

417. What is it worth now?—About 17s.

418. And the same proportion of difference in cow-hides?—Not quite so much as in bullock-hides.

419. How do you account for this difference?—The prices in leather. The prices ten years ago were far above what they are now. A side of harness-leather worth £2 5s. then takes all its time now to fetch £1 10s.

420. Do you not think that that is largely due to the large quantities of leather that come in, from India especially: East India kip, or the green hides for making it?—I do not think they are imported. I have asked about that, and they seem to think there is some restriction to the importation of East India hides into this colony from India. It can be sent to England and then sent here in the grease.

421. That is what is done: Do you think that accounts for the difference in the price of hides?—In the imported leather, certainly I do. I think the imported leathers brought down the prices of the other leathers.

422. How do you account for the large number of hides being imported from Australia into this country: are they better than New Zealand hides?—The tendency of the present time is to work in a quantity of cow-hides. They are bought cheap, and are firm but light material. In fact, Mr. Tyer had a line of bullock-hides offered him; he did not want them. He said, "I do not want them; but I can take a thousand cow-hides to-morrow." Bullock-hides are not used so much: they take more money to tan. Victoria can compete against us in the tanning line, because their climate enables the Victorians to tan much more quickly. Bark, too, is much cheaper there, and everything else in proportion. If the duty were taken off kip and harness they could wipe us out of the trade in about three years. I say that with a firm conviction that it is true. We cannot compete against them.

423. *The Chairman.*] That is really why you ask for an increase of the duty?—Yes. Personally I do not like the idea of protection, but with advantages like that on the part of the foreign producer we should have a little.

424. *Mr. Stevens.*] Do you not think if we increased the duty to that extent it would have the effect of making boots far dearer than they are at present?—I think, with the inferior class of boots it would. East India kip will take the place of colonial or French calf. The shoemakers are sticking to it because it is cheap, and as there is no offal they can cut right out.

425. *Mr. Hutchison.*] You say that bark for tanning is much cheaper in Victoria than it is here?—Yes; another advantage they have there is that they buy it in the rough and grind it for themselves.

426. And their climate helps them?—It helps them very much. Where it takes us ninety days to tan they put their raw material through in from forty to forty-five days—much less in some cases.

427. It is not, then, that you are not able to compete with them in work: it is the local advantages they have?—Yes, it is the natural advantages.

428. Then, about buff and split, you say you see no reason why you should not be able to compete with the imported buff and split. That is, I suppose, the aspiration of a young man who does not know for certain, but is simply speaking about his hopes?—No.

429. Then, why do you not manage it?—The duty on American buff is very slight, and then their style of dressing is to employ table-men, whom they get for about 40 per cent. less than tradesmen.

430. As a young colonial, you say you are not able to compete with Victoria in these goods, and you give reasons in support of the statement. But, on the other hand, you think the colonial producer is able to compete with America, where labour is much cheaper?—In the Old Country the currier is getting £2 5s. a week; out here labour is not paid right through the colony more than about £2 10s.

431. Then, you say the American producer gets his labour very much cheaper?—I say the Americans do not employ tradesmen; they employ table-men.

432. *The Chairman.*] Are they what are called "improvers" in other trades?—No, men who are taken off the yard.

433. Just odd labourers?—Men just taken off the yard, and who get into the way of blocking and doing the rough work.

434. *Mr. Hutchison.*] We will have to do the same?—Some of the curriers will have to go then to make room for these men. Our population is not increasing so fast as to give employment to all these.

435. So we cannot compete with America in the buff and split business?—No. What has been the trouble for some time is that the duty on it is very light.

436. East India kip, as you call it, is made from a hide that we cannot get here: is that not so?—Yes.

437. It cannot be got anywhere else, I understand, than from India. It is the hide of a little cow called the Brahmin cow?—I cannot see through that, because we have been getting up the whole of it.

438. But still it comes in?—It is used, and answers the purpose of kip. They can work it as French calf.

439. *The Chairman.*] Is it a finer and softer leather?—No, it is much firmer. They drum grease in it, and it takes a deal of money to start these things.

440. *Mr. Hutchison.*] In England they adopt all these processes, and you do not?—In New Zealand we have not got so far.

441. You have not got money enough?—We are only workers.

442. Supposing, then, the duty was increased from 1d. to 4d., how much additional charge would that put on each pair of boots?—I suppose, about 2½d.

443. *Mr. Tanner.*] Is the state of the currying trade at present owing to this: that in 1888 the bootmakers' representations were all powerful, and went in the direction of cheap leathers, low duties being fixed on imported leathers? Has this slowly depressed the colonial leather-manufacturing industry, and prevented its development?—I think so. My reason for thinking so is this: In the harness-leathers we are competing very well with the imported articles. The duty at this time was fixed at 6d. per pound; but on all imported shoe-leathers the duty is very low.

444. *The Chairman.*] So, in fact, the interest of the bootmaker was looked after more than the interest of the currier?—Yes. There is another thing to which I wish to draw the attention of the Commission. Some time ago we had to import a splitting-machine for splitting the hides—the "Union Splitter," it was. We got it from Australia, and we had to pay duty on it. We paid £15 on a value of £75; that would be 20 per cent.

445. You ask that these things should be free?—It would be to the tanner's advantage that machinery of that description should be admitted free. The machinery used in dairying is admitted free?

446. Is it patent machinery?—No, the patent has run out.

447. Is there anything to prevent its being made in the colony, supposing there is skill enough to do it?—I do not think there would be sufficient inducement for any firm to start that. In New Zealand there are not many of these machines; and there is not much demand for them. They are making them in Melbourne, and I do not see why they could not be made here. Pullan, in Melbourne, is making these things.

448. Is there any other point you wish to bring before us?—No; I do not think so.

449. *Mr. McGowan.*] About the leather: you state that, roughly, they can tan their leather in Victoria in about half the time it takes to do it in New Zealand?—Yes.

450. Is leather tanned in such a short period of time equal to leather that remains longer in the tan-pits?—The tan would be equal.

451. Is the leather as good?—Yes. I say it is tanned there in a warmer climate, which also gives them an advantage over us: and then they get good bark there. Most of the bark imported into New Zealand is adulterated.

452. But does the length of time in the tanning process affect the quality of the leather; it has been claimed that it does?—I do not think with the Australian tannage it does affect it.

453. *The Chairman.*] Given that the skins are equally good, and given that all other particulars are duly filled as regards the tanning—that there is a sufficient quantity of bark, and that things are equal, except the one thing, that in the climate of Victoria the tanning process is complete in forty-five days, and in New Zealand in ninety days—can as good leather be produced in New Zealand as that produced in Victoria?—I think so. There is another thing: Supposing they tan with the oak tannage, which is a far better tannage, and although the birch-bark in New Zealand can come very close to the oak tannage, there is so very little tannin in birch-bark that it cannot be utilised to advantage.

[Since being examined I have gone carefully into the East India kip question. I took our best colonial kip and an East India kip, measured the cutting-space equal—that is, both the same substance or thickness and size—and then weighed them on the scales. The colonial weighed rather more than 4½lb., which, at 1s. 5d., amounts to 6s. 4d.; the East India kip weighed 2¾lb., which, at 1s. 10d., amounts to 5s. Supposing that three pairs of boots are cut out of each the difference in the cost of each would be rather more than 5d. per pound in favour of the East India on the first cost. This to a manufacturer of large quantities means a good deal, and, being a fair test, will fully explain their partiality for the colonial article, the East India being a great deal the cheapest in the end. Not being satisfied with this, I went further. I took a colonial calf and East India kip, both equal size, and weighed them. The calf weighed 3lb., or rather more; the kip, East India, 2¾lb.: one had a great deal of offal, the kip none. The calf cannot be tanned and dressed in New Zealand for less than 2s. 4d. per pound. This equals 7s. The kip is worth 5s., a full difference of 2s. Where the kip would turn out three pairs of boots the calf would barely cut two and a half pairs, a difference of 8d. per pound, and a loss of half a pair of boots owing to the waste. This, again, is in the East India kip's favour, and the selling-price of both classes of boots is the same, although the calf is supposed to be the best. I had the pleasure of seeing some colonial calf from Dunedin the other day, and I can honestly say that it was equal to any French that I have seen, but the price was 2s. 8d. per pound; but when it was made into boots it would only bring the same as East India kip; so you will see that the tanners of calf are faring very badly on the competition with the East India leather; in fact, so much so that within this last four years the price of calf has come down to 2s. 4d. for second-class from 3s. 6d. a year or two ago. After a careful consideration of everything, I have come to the conclusion that increased duties would benefit a class of industry that is gradually being wiped out of existence by the importation of foreign leathers; and, further, I am fully convinced that it will benefit the consumer generally.—T. C.]

(10.) Karl Locher examined.

454. *The Chairman.*] What is your name?—Karl Locher.

455. What are you Mr. Locher?—I am a manufacturers' agent.

456. In business in Wellington, I suppose?—Yes, sir.

457. What is the matter that you wish to bring under the notice of the Commission?—It happens to me very often in business that I have to pass for goods which have been sold or have otherwise altered ownership in transition, and I generally experience some difficulty in passing them

in consequence, the invoice not always being made out to the person who is the actual owner of the goods for the time being.

458. What do you propose in that connection?—That a statement from the person that actually pays the duty, coupled with possession of the bill of lading or possession of the goods, should be deemed sufficient.

459. Do you mean to tell me there is any difficulty about any person getting goods cleared if he produces an invoice and pays duty?—We have generally to furnish evidence of the party in whose name the invoice was made out originally.

460. Supposing the firm of Dawson and Co., in England and Germany, make out an invoice to Brown, of Wellington, and supposing, before the goods arrive, Brown sells to Smith, do you mean to tell me there would be any difficulty, if the invoice was handed over to Smith, in Smith producing the invoice and getting delivery of the goods?—Additional evidence is required from Brown.

461. Why? The Customs is only concerned as to the value of the goods?—It would look to you to be so, but there is the difficulty.

462. Can you explain it, Mr. Glasgow?

Mr. Glasgow: When the goods arrive there are two invoices. The person for whom the goods were ordered possesses one invoice. The goods came consigned to Mr. Locher, and he has another invoice. His invoice, from a Customs' point of view, is no evidence to the department, and the invoice of the other person is evidence, because it shows what he paid for the goods. Mr. Locher's invoice is therefore open to question.

463. *The Chairman.*] There is nothing wanted, so far as the Customs is concerned, except the invoice of the owner of the goods?

Mr. Glasgow: The invoice of the middleman is never called for.

Mr. Locher: I do not think this has ever occurred. I never receive an invoice at all. The invoice comes from the buyer, and occasionally I may have a press copy, or possibly a hand copy, but that is now the difficulty: I want to prove it.

The Chairman: After hearing Mr. Glasgow's explanation, I still do not see why the invoice addressed to Brown, if he has sold the goods to Smith, cannot be produced by Smith, and the duty be paid upon it, just in the same way as Brown would have done.

Mr. Hutchison: But then the middleman comes in, and here is the middleman.

464. *The Chairman.*] I understand there is an original invoice sent out to some person in connection with these goods?—I am only referring to the original invoice that comes from the bank and is tendered.

The Chairman: It is only the original invoice the Customs wants. Again I say, if the invoice passes from Brown or Smith, I cannot see how a difficulty occurs.

Mr. Glasgow: I think there is some confusion. I am supposing a case in which goods have been sold to a purchaser in New Zealand and that purchaser gets an invoice, say, for £100. The goods arrive consigned to an agent for delivery to that purchaser, and that agent presents an invoice, say, for £80. We, knowing that the purchaser has an invoice for £100, insist that that is the proper amount upon which to charge duty: is not that the case?

Mr. Locher: That has never occurred with me.

Mr. Glasgow: Then, I am misunderstanding you altogether.

465. *The Chairman:* Will you put your case to us?

Mr. Locher: I do not think I can quote a better instance than the Smith-Brown one you mentioned. An invoice comes in my case from Germany to Mr. S. Kohn, jeweller, on the Quay. For some reason or another he does not take the goods, and I get the invoice with the papers and the particulars from the bank, and go to Mr. H. Freeman, jeweller, in Manners Street, and turn it over to him. When he produces it at the Customs additional evidence is required as to his ownership; so I clear the goods. For instance, Mr. Kohn does not take the goods; I go and clear them, and then Mr. Kohn is required to give additional evidence how he came by the goods.

The Chairman: That has nothing to do with the tariff. Mr. Glasgow is not aware of such circumstances at all.

466. *Mr. Hutchison.*] The invoice very often comes through the bank?—In my case, without exception.

467. And the bank sends for you because it cannot be troubled?—That is so.

468. And the Customs wants other evidence than yours?—The Customs officers say, "We want some explanation of this: we can hardly take your entry."

469. Then you go to Mr. Kohn and get the original invoice?—The original invoice is already produced, but the man has to call round.

470. You complain of the trouble to the third party?—That is so.

The Chairman: That is only a departmental matter.

471. *Mr. McGowan.*] Supposing in the case you state that a business man's name is used in filling up the invoice, the invoice comes to you. I am assuming the individual is prepared to take advantage of the Customs. Supposing he gets the invoice made out to a gentleman in business, and this invoice is not the true one, the officer to whom the invoice is produced would have only your statement—if you were the person who produced it—as to the correctness of such invoice?—That is correct; that is all he would have.

472. Do you not think that the individual receiving the goods, and in whose name the invoice was, should have something to say in the matter?—I sign a declaration.

473. But you sign a declaration in reference to another party?—The declaration is made out altogether in my name, but the invoice denotes that it is not addressed to me, but is addressed to some other person.

474. *The Chairman.*] I think your contention is this: that is a declaration as to the value of the goods, and not as to ownership, and that the country is only concerned in getting at the value?—I think so.

475. *Mr. McGowan.*] But the agent has not always the proper information to make a statement as to value?—He does it at his own risk.

476. There may be no risk, and yet it may be an untrue declaration?—But they have the same remedy against me as they would if the other person made the declaration.

PALMERSTON NORTH.

TUESDAY, 16TH APRIL, 1895.

(1.) DAVID B. HARRIS examined.

1. *The Chairman.*] What are you, Mr. Harris?—A chemist, in business in Palmerston North.

2. I believe that you wish to bring some matters before the Commission. Will you kindly state them?—I think that the heavy duty at present charged on surgical appliances should be abolished. They cannot be made in the colony, and in my opinion should not be dutiable. The articles I refer to are trusses, belts, catheters, galvanic batteries, splints, rubber bandages, web bandages, elastic stocking and knee caps, anklets, lint, cotton-wool, wadding, enemas, surgical boots, bed-pans, suspensory bandages, ice-bags, indiarubber tubing, all kinds. I also wish to mention the question of the duty on imported bottles. Glassware, such as dispensing-bottles, comes in free, but the ordinary bottles to replace chemist-stock bottles, when imported singly, are charged a duty of 25 per cent. as fancy goods.

3. Cannot these bottles be made in the colony?—No.

4. Not by the Auckland Glassworks?—They have not attempted to make them.

5. You ask that they should be free of duty if imported, and on the ground that they cannot be made in the colony?—Yes.

6. Is there any other item you wish to refer to?—I recommend an additional duty of 10 per cent. or 15 per cent. on imported patent medicines. Cod-liver oil is free from duty, but if imported as a compound—viz., as malted cod liver oil—it is charged 15 per cent. as patent medicine.

7. Is not cod-liver oil used for other than medicinal purposes?—No.

8. Not for lubricating purposes?—No; you are thinking of cod-oil. I ask that cod-liver oil, when combined with malt, iron, quinine, or other ingredients, should be exempt from duty.

9. Is there a large consumption of these compound patent medicines?—Yes; both privately and in hospitals.

10. *Mr. McGowan.*] You have probably seen in the drapers' windows fancy scent-bottles: how would you meet the difficulty of preventing such bottles being introduced by the drapers free of duty as chemists' bottles?—The bottles imported by drapers represent a very small amount indeed in value, and it is not necessary to consider it.

11. But, supposing that such bottles were imported by drapers, and the revenue suffered even slightly, it would be necessary to remedy the difficulty: how would you suggest that it should be met?—The drapers now pay duty on them as perfume, and not as bottles simply. There is nothing to prevent drapers importing them if they like to pay this duty.

12. In the case of imported cod-liver oil containing malt or other extracts, is there any likelihood of the oil being separated, after importation, and used for other purposes than medicine?—That would be impossible.

13. *Mr. Stevens.*] Do you think that it would be of advantage to the public if it were enacted that the ingredients composing the patent medicines had to be stated on the labels?—Undoubtedly it would be an advantage, and should be done.

14. Generally speaking, do you think that the public receive fair value for their money in these patent medicines?—I do not.

15. *Mr. Tanner.*] Regarding surgical appliances: can you give us any better reason than the one you have already advanced why such instruments should be admitted free?—Yes; they are used chiefly by the working-classes, who cannot afford to pay a big price for them.

16. Would not a man who was not a working-man feel the necessity for cheapness in such appliances equally as much as a working-man?—Yes; but for one man who is well off, and who uses these appliances and instruments, there are five hundred working-men who require them through meeting with accidents.

17. Would you admit an operating-chair free of duty?—Yes.

18. Or a dentists' chair?—Yes; it is a necessity, and not an appliance.

19. Then, you would interpret the term "surgical appliances" very liberally?—No.

20. *The Chairman.*] Do you object to your name or the nature of your evidence being published in the daily papers?—I do not care what is published.

(2.) WILLIAM PARK examined.

21. *The Chairman.*] Will you kindly state what matter you appear on?—I appear as a retail stationer, with reference to the duty on school-, exercise-, and copy-books, which at one time were admitted free of duty. They are now charged an import duty of 25 per cent., and I think that it is wrong to charge a duty on such books, seeing that ordinary literature is free of duty. This duty means that every child attending school has to pay an extra penny on every fourpence for his or her exercise-book, whereas without the duty the fivepenny book could be obtained for fourpence. The duty benefits the few manufacturers only, and I think, notwithstanding the advantage of the duty, that the stationers all over the colony can import from Home a better article than they can buy from the local manufacturers.

22. One of the firms who manufacture copy-books has appeared before the Commission, and claimed to be able to produce as good an article as the imported article, and to be able to sell it at

as low a price. What is your experience of the locally-made books?—Apart from that view of the question, I think that the charging of duty on imported educational requisites is wrong in principle, seeing that we have a free education system.

23. *Mr. Tanner.*] I assume that you are an importer of books, and you are probably aware that directories relating to the colony are both printed within the colony and sent outside the colony to be printed. The latter come in as printed literature, free of duty. Do you think that such works as directories, which can be printed here, should be allowed to be imported free of duty?—I could not say.

24. Have you seen the school-books published by Horsburgh, in Dunedin?—Yes.

25. Have you seen his exercise-books?—Yes.

26. Could you kindly give us your opinion, as a stationer, upon Horsburgh's books?—The arithmetics and geographies I believe meet the requirements of the educational standard better than the imported ones.

27. *Mr. Stevens.*] Do you not think that directories can be produced in the colony equally as good as they can be produced outside?—I do not know, as I have never gone into the printing business.

28. Without the duty, do you think that copy-books and exercise-books can be produced in the colony as cheaply as they can be imported?—I do not think so. Even with the assistance of the 25-per-cent. duty I consider, as a stationer, that I can import better value in these books than they can manufacture in the colony; and if it were not for the protection of this duty the local manufacturers would be quite out of the running.

29. Can you procure brown wrapping-papers made in the colony equal in quality to the imported article?—I think so. For a number of years past I have bought and retailed the New-Zealand-manufactured paper, and I think it compares very well with the imported.

30. Do you do anything in matrices?—No.

31. *Mr. McGowan.*] You go upon the general principle, I presume, that our educational system being a free one all the school requisites connected with it should be free also?—I think so.

32. *The Chairman.*] Have you any objection to its being mentioned in the papers that you appeared on this subject before the Commission?—No.

(**3.**) Rev. Father Patterson examined.

33. *The Chairman.*] We shall be glad to hear what matter you have to represent?—The church being a public institution, I thought that I might lay before the Commission the question of the desirability of abolishing the duty at present levied on church statuary, vestments, peals of bells, and pipe-organs, altar-wine, altar-ornaments, and jewels. Last year I imported for my church one hundred pounds' worth of statuary and pictures and ornaments, and also a peal of chiming bells. The duty was rather severe, and I lay the matter before you asking for favourable consideration of the request. These articles are not made in the colony. The statuary comes from Lyons and Italy. With regard to vestments, I would exclude cassocks and surplices, which can be made here.

34. Is there not a firm of organ-builders in the colony?—Yes; in Christchurch.

35. Do you know the difference in price between an organ made by that firm and an imported organ?—The locally-made organ costs 50 per cent. more than the imported one. Regarding bells, I limit my request to peals of bells, as single bells can be cast in the colony. I might also say that a second-hand pipe-organ can be obtained at Home for £200 (it might be worth £400), but if imported here the duty would bring the price up to the cost of an organ built here.

36. *Mr. Stevens.*] Would you ask that the duty should be taken off all imported pipe-organs, or only off the organs imported for church purposes?—I should ask for it to be taken off all organs.

37. Supposing the Government had the power to remit the duty on the certificate of the clergyman that the organ was imported for church purposes, would that meet your wishes?—Yes.

38. *The Chairman.*] Have you any objection to your name being mentioned in the papers as having attended here?—No.

(**4.**) William Lewis Luxford examined.

39. *The Chairman.*] I understand that you appear in connection with the duty on imported timber?—Yes.

40. Are you a timber merchant?—No; I am the manager of the Palmerston North Sash and Door Company (Limited).

41. How many hands does the company employ?—About sixty. Our monthly wages are £450. These figures include the sawmill.

42. How long have you been carrying on operations?—Two and a half years as a limited company.

43. What matters do you wish to bring forward?—At present a large quantity of jarrah timber is imported for wharf- and bridge-work, and I think that some steps should be taken to protect our totara-timber industry, as the latter is equally as suitable for the work required as the jarrah. The argument is generally raised that the jarrah is stronger than totara, and will last longer, but the larger-sized totara is quite equal to the jarrah, and it is also more durable. I think that there should be a protective duty against the imported jarrah timber.

44. Is jarrah timber used for piles driven in water?—Yes. The Railway Commissioners have used it in replacing bridges.

45. When jarrah is used for marine work, is it not claimed to be impervious to the attacks of the *Teredo navalis*?—No. That has not been the result in the case of the Opunake wharf, which has been almost destroyed by that insect.

46. Then, the jarrah is subject to the attack of the *Teredo navalis* ?—Yes.

47. And totara is not?—No.

47A. Have you any proof of that?—On the Wellington wharf totara piles are being used, and I have heard that they are not attacked, whereas the original jarrah piles were.

48. Are not the Wellington piles copper-sheathed?—Yes; but the original wharf-piles were not sheathed.

49. In using jarrah for wharves and bridges, I understand that you would require totara of a larger size than would be required if jarrah were used. What would be the difference in size or weight as between the two timbers in the case of the conditions being equal?—I do not think that the weight would vary. A piece of jarrah 12in. by 12in. would be equal to a piece of totara 18in. by 12in.

50. Would an 18in. by 12in. piece of totara weigh more than a 12in. by 12in. piece of jarrah? —I think that the weight would be about the same in both cases; but I am not quite sure as to the breaking-strain. I do not think that an 18in. by 12in. totara would stand the same breaking-strain as a 12in. by 12in. jarrah; possibly a 24in. by 12in. totara would.

51. How much duty do you think is necessary on the imported jarrah to cause the totara to be used in preference?—I think that 10 or 15 per cent. *ad valorem* would do.

52. If a heavy duty were imposed on the timber used by the local governing bodies for their bridges, do you not think that there would be a great outcry?—I do not think so, as all the local bodies are now using totara timber, with the exception of special bridge parts.

53. Well, if the local bodies are using totara now, how would the totara industry be benefited by the imposition of a duty?—Our workmen would benefit. I think that the Government would see the justice of using totara also. But there are many private people who use jarrah. In the seaports the jarrah is obtainable cheaper than totara; but this is not the case inland. This county is not likely to use jarrah, on account of the heavy railage charges. The question of the employment of labour is also important. One bridge would require 100,000ft. of timber, and if the timber were obtained locally it would give employment to twenty men for three or four months. The railways would also derive considerable revenue from the carriage of the timber.

54. What other items do you wish to refer to?—I think that woodworking machinery should be exempt from duty if it cannot be made in the colony.

55. Will you please supply a list of the machines which cannot be made in the colony, and which you think should be free?—Planing, morticing, tenoning, and dovetailing machines, band-saw machinery, circular and vertical saws.

56. *Mr. Stevens.*] Are you aware that there is a duty on imported sawn jarrah timber, but not on the hewn timber?—Yes.

57. As an expert in timber, would you describe a piece of timber which is sawn on one side only as "sawn timber"?—I consider that timber is "sawn timber" if it is sawn on one side, and that it should be classed so.

58. Can you give any reason why a duty should be imposed on sawn timber and not on hewn timber?—No, and particularly not as regards the jarrah timber, which is used only in sizes that do not require sawing.

59. Is a greater amount of labour employed in hewing than in sawing?—Certainly not, but less.

60. Is it not a fact that totara has become so scarce now that it is hardly procurable?—No. Totara is scarce where bush is adjacent to a railway-line, and where the cartage costs 2s. or 2s. 6d. totara cannot compete with jarrah. I do not think that one-tenth of our totara has been consumed yet.

61. Do you consider that totara can be supplied at a cheaper rate than jarrah. For example, if totara at 15s. per 100ft. were equal to jarrah at 17s. 6d. per 100ft., could you supply totara to Wanganui at 15s. as easily as jarrah could be supplied at 17s. 6d.?—Not if you have to reckon railage to Wanganui. At present totara would cost, including expenses, about 16s. per 100ft. in Wanganui, while jarrah is procurable there now at 17s. 6d. per 100ft. That makes jarrah cheaper than the totara, but if the former cost £1 2s. per 100ft., then the totara would be the cheaper for general purposes, but not for stringers.

62. Do you consider the totara equal to jarrah for flooring and bridges?—I could not give an opinion on that point.

63. Are you under the impression that the local bodies and others who use the jarrah timber would have no objection to an import duty being imposed on it?—Possibly a few local bodies might object, but I do not think that the majority would.

64. Generally, you think that the local bodies would be in favour of a duty on the timber they required, and which cannot be procured locally?—Yes, as they would be indirectly benefited through the employment of local labour in producing the local timber were the imported timber shut out.

65. You think that an equally good article could be procured in the colony?—Yes.

66. *Mr. Tanner.*] Would you put jarrah timber under a special rate of duty, and allow other imported timbers to come in free?—Yes.

67. How about American hickory and English oak?—These timbers are used in very small quantities, and we have no substitute for them, but jarrah is used in enormous quantities, and supplants a timber grown in the colony which is equally as good as jarrah.

68. What difference would there be between the duty of 2s. per 100ft. now levied and the duty you ask for, of 10 or 15 per cent. additional?

69. *The Chairman.*] The proposal is to impose a duty of 25 per cent. *ad valorem* instead of a duty of 2s. per 100ft. Is that not so?—Yes.

70. Have you any objection to your name appearing in the papers as a witness?—No.

(5.) Mr. W. L. Luxford also appeared on behalf of Messrs. Richter, Nannestad, and Co., Flourmillers.

71. *The Chairman.*] How long has the firm of Richter, Nannestad, and Co. been established, Mr. Luxford?—Sixteen years.

72. Do they employ many hands?—Ten or twelve. The mill turns out about 8 tons of flour per day. The wheat comes from Canterbury principally.

73. Does it pay to import wheat from Canterbury and to mill it here, instead of importing the flour direct from Canterbury?—Some wheat is obtained locally, but it pays to import it from Canterbury.

74. What is the matter that you wish to bring before us?—The matter of a duty upon imported flour. Messrs. Richter, Nannestad, and Co. ask for a prohibitive duty on the imported flour. There is at present a duty of £1 per ton, and, although more wheat is grown in the colony than we can consume ourselves, yet the foreign flour comes in.

75. Does the foreign flour come extensively into this district?—Yes.

76. If the duty were raised, and the Adelaide flour were excluded from the market, is there any likelihood of the local millers taking advantage of the opportunity to raise their price?—I do not think that there is any possibility of that. The local millers have not only the Adelaide flour to contend against, but they have the whole of our own colony to compete against. It would require a colonial combination to do anything of the kind, and I think that the local competition would be sufficient to keep the price down.

77. Is the New-Zealand-made flour as good as the flour imported from Adelaide?—Taking a good, dry season I should think that it is.

78. Have the bakers said anything on the matter here? Do they use the imported flour?—I could not say.

79. *Mr. McGowan.*] If you can produce 8 tons of flour per day I do not think that you want any extra duty?—The mills are now working night and day, but they are making no profit, and they were closed four months in the winter.

80. If an extra duty were placed upon flour, would not it allow the local millers to increase the price?—Yes.

81. And the result would be something additional to the price of flour?—Certainly.

82. *The Chairman.*] Do I understand you to mean, Mr. Luxford, that a duty would increase the price of the local flour, or of the imported flour, or of both?—It would enable a slight increase to be made in the price of the local flour.

83. *Mr. Stevens.*] Does the company supply any flour to the west coast of the South Island?—No.

84. What would be the freight upon flour from here to Greymouth?—It would go by Foxton, and the freight would be—to Foxton, 6s. 6d. per ton; and from Foxton to Greymouth, 15s. per ton.

85. As in the case of timber, do you not think that this increase in duty would be objected to by the people who consume the flour?—I do not think that the increased duty would make any difference in the price of bread.

86. Do you think that the duty would be to the benefit of the mill-owner?—It would probably be a little detrimental to the bakers, as the amount of the duty would come out of their pockets.

87. Do you mix any foreign wheat with the New Zealand wheat?—No; the wheat used comes principally from Canterbury.

88. *The Chairman.*] Do you object to your name being mentioned as having appeared here on behalf of the firm mentioned?—No.

WANGANUI.

Thursday, 18th April, 1895.

(1.) John Stevenson examined.

1. *The Chairman.*] What are you, Mr. Stevenson?—Manager of the New Zealand Loan and Mercantile Company, Wanganui.

2. We understand that you have some matters to represent in connection with the tariff?—Yes. Under the present tariff cornsacks are free, while woolpacks are dutiable. Both are jute goods, and are used for agricultural purposes. I think that the tariff is inconsistent in regard to these two items, and that woolpacks should be placed on the free-list. I also think that sheep-drenches should be admitted free. The present duty is 25 per cent. An Australian preparation called "Pottie's drench" is likely to be introduced here. It has met with very great success in Sydney, and is admitted duty-free in the Australian Colonies. Seeing that it is of great importance to the colony to obtain a remedy for the cure of disease in sheep, I think that it would be a good thing to remove the duty on sheep-drenches.

3. Is this remedy used in connection with the mysterious disease now affecting the flocks of the North Island?—It is a remedy to meet that disease, and if the duty were removed or reduced I think that it would be necessary to enumerate the name of the drenches specifically in the tariff, as otherwise all kinds of sheep medicine would be brought in under the name of drenches, to take advantage of the tariff.

4. Are there not some dips that are used for drenches?—Yes; but the experience is that we have not discovered a suitable drench. The remedy I refer to has been highly spoken of in Australia.

5. Do you know if the disease prevalent here is similar to the disease prevailing in New South Wales?—The proprietors of "Pottie's drench" indicated to me that the complaint there was a very similar one to the New Zealand disease, but they did not supply particulars.

6. Do you object to your name being mentioned in the papers as having attended before the Commission on this subject?—No.

(2.) Hugh Williamson examined.

7. *The Chairman.*] What are you, Mr. Williamson?—A chemist. I have been in business fifteen years.

8. What matter do you wish to bring before the Commission?—Double-demy paper is specified in the tariff to be free, but if I import it I have to pay duty. I use this paper for wrapping purposes, and I am charged duty accordingly. I understand that if imported for printing purposes no duty is charged, but the tariff does not mention this. The entry is, "Double-demy paper as it leaves the mill, uncut edges, free."

9. Can this paper be made in the colony?—No.

10. I understand that it has been made at the Mataura mills?—Not the heavy 36lb. paper which I use specially for counter purposes.

11. Is there any other item that you wish to mention?—Under the heading "Citrate of magnesia" Burgoyne's preparation is charged a duty of 25 per cent. as a patent medicine, and I consider that Burgoyne's ought to be classed under the heading of drugs, at 15 per cent. duty, for the reason that Bishop's, Hawley's, and other makers' preparations of magnesia are admitted at the latter rate. They are all similar preparations. Bottles of all kinds, if imported empty, are free; but if I import a bottle with a brush and cork, for the purpose of putting up corn preparations, I am charged 15 per cent. on such bottle as a druggist's sundry. These bottles cannot be made in the colony, and should be free.

12. *Mr. McGowan.*] If you allow the paper you mention to be admitted free, how would you prevent its free importation by other than chemists, who want it for wrapping purposes only? Could it not be used for other purposes?—It can be used for printing and wrapping only.

13. It can also be used by tea-merchants for packing tea. Do you think that all wrapping-papers should be free?—The special line I refer to ought to be free, no matter who imports it. At present, if I wished to import a bale of paper, I simply go to a printer and say, "I have a bale of paper; you get it in free for me." He does so, and I save the duty. I contend that the present mode of levying the duty opens the way to fraud.

14. *Mr. Tanner.*] I understand that if you import empty bottles for dispensing purposes you get them in free?—Yes.

15. Are you charged duty on the bottles you import to replace your stock bottles?—No. There is a decision regarding the stoppered bottles. They are held to be free, but I consider that they are fancy bottles, and dutiable accordingly. In that case you have two items which are practically the same opposed to each other. I get these bottles free as empty bottles.

16. *The Chairman.*] Do you object to your name appearing in the papers as a witness here to-day?—No.

Charles William Poynter, representing Mr. A. D. Willis, Publisher; and David Blair, Principal of the Technical School, Wanganui, appeared with reference to the duty on drawing-books, and were examined.

(3.) Charles William Poynter examined.

17. *The Chairman.*] What matter do you wish to represent to the Commission?—Mr. Willis is the publisher of the drawing-books of which Mr. Blair is the author, and we are handicapped by the 15 per cent. duty at present charged on the imported cartridge-paper used in the manufacture of the books. On account of this import duty we are compelled to use inferior paper in making up our books. We therefore ask, either that cartridge-paper should be admitted free of duty, or that a duty equivalent to the present duty on imported copy-books—namely, 25 per cent.—should be placed on the imported drawing-books that are now admitted free.

(4.) David Blair examined.

18. *The Chairman.*] What do you wish to say in connection with this application, Mr. Blair?—These drawing-books were first published nine years ago. I got them out at the express wish of the Minister of Education, and they were then printed by the *Lyttelton Times* Company. Mr. Willis is now the publisher, and we find that we cannot compete with the imported drawing-books in regard to the quality of the paper. I produce a specimen copy of an English book, showing the superior quality of the paper that the English publishers use. This English book is retailed here at 3d.

19. If the duty you ask for were imposed, would this book that is now sold at 3d. be sold at 4d.?

Mr. Poynter: No; unless it were printed on cartridge-paper, and then I could compete on favourable terms.

Mr. Blair: But the importers of the English books would not then sell half as many.

20. *The Chairman.*] If you used more expensive paper in your books, would you raise the price to 4d.?

Mr Blair: We should have to make a sacrifice, and I think that it would be necessary to keep to the 3d.

21. You say that you would not increase the price of your book if the effect of the duty were to drive the English book out?

Mr. Poynter: No.

22. *Mr. Stevens.*] Supposing that this duty were imposed, do you think it would give general satisfaction to the public?

Mr. Blair: I do not know, but I think that the majority of the schools in New Zealand use my books.

Mr. Poynter: The number sold last year was close on a hundred thousand. Our books are retailed at 3d., and it is not so much the fact that the imported books are sold against us as the fact that they may be, and therefore may interfere with our trade later on.

23. *The Chairman.*] Then, you are really crying out before you are hurt?

Mr. Poynter: We are hurt now, but we want protection as against what might happen in the future.

Mr. Blair: For five years I received nothing as author's profits.

24. *Mr. Tanner.*] Has the duty of 25 per cent. placed on the imported copy-books in 1888 driven out the imported books?

Mr. Poynter: Not to any appreciable degree.

Mr. Blair: In this district the Inspector does not allow any but Vere Foster's to be used.

25. *The Chairman.*] Is there any other matter that you gentlemen wish to mention?

Mr. Blair: A similar case to that of the duty on cartridge-paper occurs in the matter of photographic paper. Photographs are admitted duty-free, but photographic paper is charged a heavy duty.

26. *The Chairman.*] Have you any objection to your name appearing in the papers in connection with the matter you have appeared on to-day?

Mr. Poynter: No.

Mr. Blair: No.

(5.) Henry Walkem, representing Mr. Martin, Photographer, of Wanganui; and W. H. T. Parkington, Photographer, of Wanganui, appeared with reference to the photographic industry, and were examined.

27. *The Chairman.*] I understand that you wish to make some representations to the Commission?

Mr. Walkem: I appear on behalf of Mr. Martin, and I desire to hand in the following letters from him:—

"Dear Sirs,— "Wanganui, 15th April, 1895.

"I regret that I shall be unavoidably absent from Wanganui during the sitting of the Tariff Commission, and would therefore beg to point out by letter the unfairness of the duty of 25 per cent. on sensitized photographic papers, variously called 'bromide papers,' 'chloride papers,' &c., all meaning paper prepared by being made sensitive to light, and so ready for immediate use.

"On the other hand, photographs produced on this paper outside the colony are subject to a duty of only 15 per cent.

"Already one large firm has secured a series of negatives of New Zealand scenery, and is now flooding the colony with prints from them. Please see subjoined paper.

"I am, &c.,

"The Tariff Commission. "A. Martin.

"The photographers of New Zealand have for some considerable time been suffering from the undue competition of persons and companies residing and working outside the colony. These people flood the New Zealand market with their various photographic productions—copies and enlargements of photographs, views, &c.—which, owing to cheap labour obtainable in crowded centres of population, low-priced raw material, and small rents, they are able to introduce and sell in this country at prices ruinous to the resident photographer, whose home is in the colony, and who pays his share of taxation.

"The grievances complained of are intensified by the existing New Zealand Customs tariff. The resident photographer has to pay from 20 to 30 per cent. on much of the raw material used exclusively in photography, and yet strangers are able to send in finished photographs at 15 per cent. We are thus actually protecting the outsider against ourselves.

"With the view of gaining some relief from this condition of things the photographers of the colony are about to present a petition to the House, of which the subjoined is a copy, and it is with the object of soliciting your kind consideration and enlisting your valuable aid and influence in procuring a favourable reply to their prayer that the New Zealand photographers venture thus to address you:—

"1. That your petitioners approach your honourable House with a sincere desire to maintain and advance the character and excellence of the photographic art in New Zealand.

"2. That your petitioners are discouraged, and in many instances ruinously affected, by the unrestricted sale of foreign photographs of New Zealand subjects introduced under a tariff which presses heavily upon colonial industry, and at the same time protects the importer and enables him to sell at prices ruinously competitive with the work of your petitioners.

"3. That your petitioners would respectfully submit to your honourable House that the spirit and intention of the present tariff is evidently in favour of fostering the development of photographic art in New Zealand, and of protecting the important colonial industries dependent thereon, for on the passing of the Tariff Act, photographic papers, plates, apparatus, and the most important chemicals, were admitted free. But subsequently it was decided by the Customs authorities (to the serious injury of the trade of your petitioners) that bromide and other sensitized papers, introduced into the trade since the passing of the tariff, and which combine the properties of both plates and paper, should be liable to a duty of 20 per cent. That the duty of 15 per cent. at present levied upon imported photographs, which are produced with the advantages of cheap labour and materials, is not sufficient to compensate your petitioners for the increased cost of colonial production.

"Your petitioners would therefore pray your honourable House to favourably adjust the incidence of taxation by abolishing the duty upon such important photographic materials as mounts, bromide paper, and other sensitized papers, which cannot be manufactured in the colony; and by increasing the duty now levied upon all imported photographic pictures of New Zealand scenery and photographic enlargements of New Zealand subjects to a protective duty of 30 per cent. or more."

28. *The Chairman.*] The matter of the duty on sensitized paper has been brought before the Commission by several other photographers, and we have been asked to recommend that "all sensitized surfaces" should be admitted free. Would this meet your request?

Mr. Walkem: Yes.

29. *The Chairman.*] A similar request to yours has also been made with reference to the imported photograph enlargements and views of New Zealand scenery. Is there any other matter that you wish to mention?

Mr. Walkem: No.

30. *The Chairman.*] Do you want mounts free also?—Yes.

31. *Mr. Tanner.*] Do you feel the competition in your trade of the imported enlargements and views of New Zealand scenery?—Yes.

32. Is it true that a lot of this kind of work is done in Sydney and Melbourne?—In Sydney, but not in Melbourne.

33. Have you any knowledge of photographs being sent to China for reproduction?

Mr. Parkington: Yes. I have seen several such reproductions in Auckland and Dunedin.

34. *Mr. Stevens.*] Do you also object to the oil-paintings taken from photographs coming in free?

Mr. Walkem: Not if it is an oil-painting pure and simple, but we should object to the bromide enlargements, if coloured in oils, coming in free of duty.

35. *Mr. Stevens.*] For example, let us say that two photographs are sent to China for reproduction. One comes back in the shape of an enlarged photograph, the other in the shape of an oil-painting taken from the photograph. According to your request, you would expect the former to bear a duty of 30 per cent., and the latter to be admitted free. Why should the oil-painting be duty-free, while the enlarged photograph is dutiable?

Mr. Parkington: The painting art is outside our business altogether.

36. *Mr. Stevens.*] Therefore, you appear here for the purpose of urging the necessity of protection for your particular branch of art?

Mr. Parkington: That is quite true.

37. *Mr. Stevens.*] Do you not think that it would also be reasonable to charge a duty on the imported paintings taken from photographs procured in the colony?

Mr. Walkem: There are very few artists in New Zealand engaged in that class of work, but a duty would certainly protect them if it were placed on these imported photo-paintings.

38. *Mr. Stevens.*] What would be the cost of enlarging a photograph in New Zealand as compared with the cost of enlarging one in India or China?—I could not say.

39. Why do you find it necessary to ask for a duty?—Because the imported enlargements are sold cheaper than we can produce them.

40. What do you sell your enlargements at?—Fifteen shillings. The imported ones can be sold at 10s.

41. Do you look upon photographs as a luxury or a necessity?—As both. In the case of prisoners, photographs are a necessity.

42. But they do not have enlarged photographs of prisoners. The difference in price between yours and the imported is therefore 50 per cent.?—Yes.

43. And you say that a duty of 30 per cent. is required. Do you consider this duty a necessity?—Yes.

44. Taking the Town of Wanganui and the surrounding districts, I presume that there are fifty people employed in photography, and the imposition of this duty would necessitate ten thousand people in and around the Town of Wanganui paying 30 per cent. more for their photographs? Would not that be the position?—Yes.

45. *The Chairman.*] If the difference in value of these enlargements is 50 per cent., would not the 30-per-cent. duty asked for fail to effect your object?—There would still be a difference, but we only asked for 30 per cent. because that is all we thought we would get.

46. Do you object to your names appearing in the papers as witnesses here to-day?—No.

(6.) Frederick Morris Spurdle examined.

47. *The Chairman.*] Are you the manager of the Wanganui Sash and Door Factory and Timber Company?—Yes.

48. How many hands do you employ?—From forty to fifty.

49. What are the annual wages paid?—They amount to about £4,000 annually.

50. Will you kindly state the nature of your request?—We feel that an anomaly exists in a duty of 20 per cent. being placed on our machinery for wood-working purposes, while machinery used in other trades, such as foundries, is admitted duty-free. An engineers' lathe, planer, drill, borer, or other engineers' tool is admitted free, while wood-working machinery pays a duty of 20 per cent.

51. Can machinery such as you require be made in the colony?—No. I have had some correspondence with the Customs Department with reference to a machine that we imported. It is called a combined morticer and boring-machine, and it paid a duty of 20 per cent., while a machine called a Hub boring-machine came in free as an artificer's tool. Engineers' lathes and planers are free; ours are dutiable to the extent of 20 per cent.

52. Could you furnish the Commission with a list of the machines you ask should be admitted free?—Planing- and moulding-machines, band- and fret-saws, and, generally, all machines used in

woodware factories. It would be impossible to make them in the colony, especially the American machines, which are continually being improved, and their patent rights could not be interfered with.

53. Is there any other matter you wish to mention?—No. Generally, I ask that imported machinery used in the woodware industry should be duty-free, as it cannot be made in the colony.

54. *Mr. Stevens.*] What is your opinion with respect to a higher duty being placed on imported jarrah timber?—Looking at the matter from the protective point of view, I think that a sufficient duty should be imposed on imported timber where we have local woods that answer the same purpose.

55. If a piece of timber were sawn on one side and hewn on three sides, would you describe it as sawn timber or as hewn timber?—I think the statement in the invoice should govern that matter. If the timber has been ordered as hewn timber, then the Customs should not insist upon the duty being paid upon it as sawn timber.

56. Do you consider that totara is so scarce now as to necessitate the importation of timber from Australia?—Totara is not now as easily procurable as formerly; but when the country is opened up and railways are pushed further back, then fresh large forests of totara will be available, especially on the Central line, where these forests are now inaccessible.

57. *The Chairman.*] Do you object to your name appearing in the papers as a witness here to-day?—No.

(**7.**) Mr. Peter Dodds Hogg examined.

58. *The Chairman.*] What are you, Mr. Hogg?—I am a member of the firm of Hogg Brothers and Brechin, soft-goods importers and retailers.

59. What are the matters that you wish to bring before us?—I desire to point out certain anomalies in regard to the tariff on soft goods. American cloth for carriage-building is admitted duty-free, but if the same cloth is imported by drapers it bears a duty of 20 per cent. We sell it for covering tables; and I was at one time in the habit of importing a large quantity, and of paying the duty, but now I get the cloth free, as a carriage-builder imports it for me. We do not care whether it is free or dutiable, so long as all importers are placed on the same footing, and the same remark applies to all the matters I shall mention. The next item is that of apparel, the duty on which is 25 per cent. Under this heading Dr. Jagger's clothing pays a duty of 5 per cent. more than other woven clothing. I think that it should come under the class of hosiery at 20 per cent. The ordinary woven clothing is very often imported as 20-per-cent. goods, whereas it ought to pay 25 per cent. If one desires to be strictly honest, and not to evade the Customs, it puts one to very great disadvantage to have to pay 25 per cent. while another importer pays only 20 per cent. Mittens, mits, and cuffs should be classed as hosiery, as they are all knitted goods, and cannot be made in the colony. Corsets pay 25 per cent.; they cannot be made in the colony. The poorer classes wear them; and I think that they should pay only 20 per cent. Handkerchiefs pay a duty of 25 per cent. if hemmed, and a duty of 20 per cent. if unhemmed. No body imports an unhemmed handkerchief; and, as a necessary article of apparel, I think that the duty should be 20 per cent. all round. Galatea shirtings—not long since Mr. Shannon was here, and I had imported a line of twenty-one pieces of these shirtings—Mr. Shannon picked out thirteen pieces out of the twenty-one, and said that they were free, and that the other eight pieces were dutiable at 10 per cent. as cotton piece-goods.

60. The reason assigned is that some patterns can be used for other purposes than for shirtings. You ask that all shirtings should be placed on the one footing?—Yes; we want them all classed as free or as dutiable.

61. What is the next item?—Buttons, reels of tape, hooks and eyes, &c., are often imported under the heading of "Minor articles," and it is very easy to evade Customs duty on these little things. Hooks and eyes are often paid for as haberdashery, and I hold that any articles used in the making-up of apparel should be free, and that all these little things that are dutiable should be enumerated by name in the tariff, and not placed under a general heading. Brown linen, as tailors' trimmings, is free, but brown holland imported as textile piece-goods is charged 20 per cent. I import my trimmings through an Auckland tailor, and get them free. I do not object to the tariff of 20 per cent., but there is a lot of doubt on the part of the Customhouse officers in regard to this line. Linen tablecloths have been passed several times at 20 per cent., and at other times at 25 per cent. They should be either one or the other. Table-napkins, if imported in the piece, pay 20 per cent.; if hemmed, 25 per cent. The Customs never look at them, and there is consequently evasion of the tariff. An importer could easily import a consignment of linen, all hemmed, and pass it at 20-per-cent., and the Customs would not know anything about the matter. There should be no differential rates for table-napkins and linens. Striped and check drills, if imported as tailors' linings, are free. If I import these drills, and do not use them as tailors' trimmings, I have to pay 20 per cent. I could get a tailor to import them for me, as I do in the case of brown hollands. Trimmed millinery pays a duty of 20 per cent., but if the trimmings include feathers or silk ribbons—and no millinery is imported without ribbons—the goods have to be opened up, and the feathers and ribbons are assorted separately. I ask for an even rate of duty on millinery, as such. In the case of flannelettes, I think that the duty should be 10 per cent. all over.

62. Is that high enough?—Yes.

63. There have been representations made to us that flannelettes mislead the public, who are under the impression that the material contains wool?—Such is not the case; the people understand what flannelettes are as well as I do. The sale of flannel has gone down almost to nothing, and the people who say that this material is sold as containing wool partly must be directly interested in the woollen mills, because the women know that it is composed of cotton. It is the poorer class of people, to whom you want to make things cheap, who buy the great proportion of this

flannelette. Hosiery, I recommend, should be 25 per cent. all round, as at present one man imports it at 20 per cent. and another at 25 per cent. Hosiery containing silk is charged 25 per cent. Cotton laces are charged 20 per cent., and silk laces 25 per cent. It is very easy to import a mixed consignment, and to get them cleared at 20 per cent., whereas, if invoiced as silk goods, they would pay 25 per cent. The Customs lose in this way, and it would be better to make all laces an even rate of duty. Feathers now pay 25 per cent.; they are not made in the colony; and on account of the freight they cost 100 per cent. to land. I think that they should be 20 per cent.

64. Would the matter of 5 per cent. make much difference?—Yes, especially in the case of ostrich-feathers, the freight on which is very heavy, as they take up a lot of room.

65. What is the next item?—Plain cotton cord, or line, for blind-making, is dutiable to us, while Venetian-blind makers import it free of duty. I ask that it should be free, or dutiable to all. Tailors' linings are free, but the Customs pick out a lot of linings, and say that they are used for dressmakers' purposes, and are therefore dutiable, but they are not used for any other purpose than for linings, and, as all silesias are free, I ask that all linings should be either free or dutiable.

66. Take a cream holland: it can be used for a lining or for a dress, can it not?—They come under the heading of hollands, and, as a draper, I want to be able to import them as cheaply as a tailor. I have had to pay 10 per cent. on muslin lining as cotton piece-goods, and I think that muslin and check linings should be free, as they are used for lining purposes.

67. *Mr. Tanner.*] Do you import these goods as linings?—Yes, and they cannot be used for any other purpose. Shirtings: The tariff says that all shirtings invoiced under the value of 7d. per yard should pay 10 per cent. duty unless cut up into lengths. I imported a line of fifty pieces, one invoiced at 6¾d. per yard. Mr. Lundon, the then Collector, looked at the invoice and thought it was a deliberate attempt to evade the duty, and he ordered the goods to be opened. He said that they were worth 7d. per yard, and that I would have to pay the duty. I asked how it was that the Collector could tell the value of the goods. I informed him that for the future I should have my goods cleared at Wellington. All shirtings should be classed as free or as dutiable with the exception of woollen shirtings, which should pay 20 per cent., as they are manufactured largely in the colony. I had to pay on the sevenpenny line, but received a refund afterwards. Sheetings (forfar, dowlas, and flax), if dutiable in one case should be dutiable in all. Dowlas is free at present if invoiced up to 7d. per yard, and I think that this class of material should be dutiable all round. In connection with cuffs, mits, and gaiters, children's bootees are charged both as apparel, 25 per cent., and as hosiery, 20 per cent.

68. Are knitted bootees dutiable as hosiery?—Yes.

69. *Mr. McGowan.*] Do you pass your own entries, or employ anybody else?—I pass my own.

70. I suppose you have often found that you cannot make out your forms for duty purposes correctly, taking your invoice as a basis?—Not very often. I generally make them out very correctly; but if there is any doubt at all, I write in red ink "for Examination."

71. Your main complaint is that the tariff is not sufficiently clearly defined to enable you to at once fill up your form and to get your goods passed?—Yes.

72. *Mr. Tanner.*] Does your complaint mostly amount to this: when you import you never know the various decisions or interpretations which have been given, or placed, on the tariff, or the duty you have to pay?—That is exactly it.

73. You object more to the annoyance that this state of things causes than to any particular rate of duty?—I do.

74. *Mr. Stevens.*] Do you think that it would affect the revenue very materially to make only one rate of duty for certain classes of goods, instead of having several rates, as at present?—If an even rate all round were charged, say of 10 per cent., instead of some articles being free and others dutiable, it would be very greatly in favour of the revenue.

75. Do you think that the public would then have to pay more than they do at present?—No.

76. Do you think that hosiery can be made in the colony, or that the local woollen mills are not making hosiery equal to the imported?—The local mills cannot make ladies' hosiery, or perhaps what you wear yourself: you would not buy the New-Zealand-made article.

Mr. Tanner: We have seen the machines for making them.

77. *Mr. Stevens.*] Cannot the yarn used for the finer kinds of hosiery be made in the colony—No.

78. Would you be astonished if we told you that we had seen yarn of the very finest quality being made in the New Zealand mills?—I will not say that it is not made here, but I think I should have been called upon for an order.

79. Well, this yarn with a silk thread is made here?—Not much of it.

80. *The Chairman.*] Do you object to your name appearing as a witness here to-day?—No.

(8.) Joseph Soler examined.

81. *The Chairman.*] I understand that you are a vineyard proprietor and wine-maker at Wanganui?—Yes.

82. How many years have you been in business?—Twenty-nine.

83. Do you make your wines from grapes?—From grapes only.

84. What quantity of wine do you produce in a year?—In a good season I average eighty to a hundred casks. Each cask contains 30 gallons. I make both white and red wines, and grow grapes myself. I also purchase grapes from the settlers and Maoris. I used to purchase canoe-loads from the Maoris; but they seem now to have discontinued growing them. I have 8 acres in grapes, and some of the small settlers have ¼ acre or more in grapes.

85. What price do you give for grapes?—I used to give the Maoris up to 3d. per pound. I would give now from £8 to £10 per ton for good grapes for wine-making, or about 1d. per pound.

86. What wines do you make?—Hock, Burgundy, Muscat, Sherry, Constantia. I received six prizes at the first Melbourne Exhibition, 3, 4, and 5, against all wines; third prize at the Christchurch Exhibition against all other wines; first prize medal at the Wellington Industrial Exhibition. This was the only medal given, and I competed against New Zealand wines only. At the London, Indian, and Colonial Exhibition I obtained third prize against all colonial wines, including the Cape; and at the last Melbourne Exhibition I received the third prize against all Australian wines.

87. At what price can you supply a good wine?—Wholesale, 8s. a gallon delivered on board; six bottles go to the gallon, or a dozen of pints.

88. How much does it cost to land a quarter-cask of your wine in Christchurch?—I cannot say, as I have only had to pay the freight to Wellington, which is 10s. per ton. Six casks go to the ton, and 30 gallons to a quarter-cask.

89. What request do you wish to make in connection with the Customs tariff?—Mr. Bragato, the fruit expert from Victoria, told me that the Auckland, Wanganui, and Napier country was first-class country for wine-growing, and that in the course of two or three years several hundred acres in the North Island would be planted in vines. I consider that this country is as good as any country in the world for wine-growing; but if the duty is removed from the Australian wines the industry here will be killed, as we cannot compete with Australia.

90. Another wine-grower has stated that even if the duty were removed he would manage to survive if allowed to sell his wine by the bottle. If this were allowed, would it help you?—Yes; but when a man starts the industry here it takes a few years before the vines can produce the grapes, and the free admission of Australian wine in the meantime would cripple him.

91. Has your business expanded since you commenced?—Yes; if I could get more grapes I could sell ten times as much wine. I intend to put 50 more acres into grapes, but not if this treaty is ratified.

92. How many tons of grapes can be grown on an acre of ground?—Six.

93. What is the annual cost of managing an acre of vines?—One man is required to an acre and a half.

94. *Mr. Stevens.*] How can you compete with Australian wine when Australian grapes sell at £1 10s. and £2 per ton, and you have to pay £9 a ton here?—We cannot compete now, because there are very few people engaged in the industry, but later on there will be more people growing grapes, and we shall not have to pay so much for them.

95. How many gallons of wine will a ton of grapes produce?—Five hundred pounds of grapes will produce 30 gallons of juice.

96. Supposing another wine-maker said that he was making wine from apples, peaches, and other fruit equal to grape wine, what would you say?—I do not call that wine.

97. You think that that kind of wine could not compare with the Australian grape wine?—I could not say.

98. Is it correct that wine does not require to be fortified?—No. You have to fortify it to keep it and to send it away.

99. Are the Australian wines fortified?—Yes. They will not carry without.

100. If it were kept in stock in the cellar long enough, would it not fortify itself?—Yes. It developes so much alcohol, but you must put in some spirits of wine to make sure.

101. *The Chairman.*] Do you make you own spirits of wine?—Yes.

102. Do you mind your name appearing in the papers as a witness here to-day?—No.

FRIDAY, 19TH APRIL, 1895.

(9.) JOSEPH PAUL examined.

103. *The Chairman.*] What are you, Mr. Paul?—A draper.

104. I believe that you have some matters you wish to bring before us: will you kindly state them?—The tariff on drapery has been so mutilated of past years that it is very difficult to understand it, and I have to pass my entries in many instances for goods to be examined. A tailor gets his goods in free, and I am charged duty—I refer particularly to black holland, which is admitted free, while a dress holland, which is the same thing in brown, pays a duty of 20 per cent.

105. Generally, I presume that you would be in favour of as broad a classification as possible in regard to drapery, and of having as few items as possible?—Yes. If I were asked what would be best in the interests of all concerned I should say an *ad valorem* tariff of one rate all round. The argument that the workman should get his moleskin trousers in free is an absurd one, as he is often better able to pay for them than those who employ him. I think that calicoes and sheetings should pay a duty of 15 per cent. *ad valorem;* and if the country wishes to have protection for its manufactured goods the imported apparel could remain at 25 per cent.; but really I do not think that the duty is necessary. Striped shirtings are supposed to be free, but some have to pay duty on account of the Commissioner's decisions. The same difficulty occurs with flannelette and haberdashery. On the latter the draper has sometimes to pay 20 per cent., while other people get the same articles duty-free. I think that the time has not yet come for further protection, as the colonial manufactures are able to hold their own with the imported goods. The Kaiapoi factory is now manufacturing dress tweeds; and my experience is that their tweeds are better value than the imported English tweeds.

106. Do you recommend that all fabrics, no matter of what material, should be admitted at an even rate of duty?—Yes; and that there should be no free-list in respect to this class of goods.

107. Is there any other item you wish to mention?—Yes. I object to the present system under which the value of the cases is added to the value of the goods for duty purposes. Cases are invoiced at from 10s. to £1 5s., and on a case valued at £1 a duty of 25 per cent. means

an addition of 5s. We receive about 3s. 6d. for the case, and consequently do not make the amount of the duty. I admit that the general public have to pay the charge for duty, but I think that the revenue would be increased if an even rate of duty all round were imposed on casings.

108. It has been suggested that a nominal rate of duty should be placed on all goods now on the free-list, to assist to pay the general cost of the Customs Department, and that the other duties should be *ad valorem* ones: what do you think of that suggestion?—I think that it would simplify matters to have a universal rate of duty. At one time the duty was levied at 4s. per foot, and afterwards it was increased to 5s.

109. *Mr. Stevens.*] Do you think that an average duty of 15 per cent. on soft goods would realise the amount of revenue that is now collected?—I think that the revenue would be increased.

110. Do you not think that it would be more reasonable to charge 10 per cent. on the lower-class goods and 25 per cent. on the higher-class goods? Under an even rate the woman who purchases a common dress would probably pay in duty 50 per cent. more on the value of it than the lady who purchases a silk dress?—I do not think so. All classes are able to pay for silks, ribbons, and laces, and should therefore pay the same rate of duty.

111. Are not such articles looked upon as luxuries?—I do not think that there is any class of soft goods that you could term a luxury. The working-people will have silk dresses as well as other people, and they can as well afford to pay for them. My experience is that the best of my goods are sold to the middle-class people, and not to the wealthy people at all. A servant-girl will buy a more expensive hat than her mistress.

112. Do you think that reducing the duty on the expensive goods will encourage the working-people to buy them?—Yes. They have the privilege now, and take advantage of it.

113. *The Chairman.*] Do you object to your name appearing in the papers as a witness here to-day?—No.

NEW PLYMOUTH.

SATURDAY, 20TH APRIL, 1895.

(1.) DANIEL BERRY, of Berry and Co., examined.

1. *The Chairman.*] What are you, Mr. Berry?—An ironmonger. I have been in business here for fifteen years.

2. We shall be glad to hear what you wish to say?—The tariff states that sheet zinc is free. I produce two samples of cellular sheet zinc, one of which ($\frac{1}{4}$in. mesh) is free, but upon the other (eight holes to the inch) I have been charged 25 per cent. as zinc manufactures. [Samples produced of perforated zinc $\frac{1}{4}$in. and $\frac{1}{8}$in. mesh.]

3. Is this zinc manufactured in the colony?—Not the smaller size ($\frac{1}{8}$in.). The $\frac{1}{4}$in. mesh has been made in Auckland, but it would not pay to make the smaller size here. It is evident that the tariff is not enforced evenly throughout the colony, because some people can sell this $\frac{1}{8}$in. mesh 10 per cent. cheaper than we can lay it down from London. The smaller-sized mesh is used in the manufacture of fine sieves and riddles, and the larger-sized mesh is used for the larger riddles and threshing-machines and seed-cleaning machines.

4. Are not meat-safes made in the colony?—Yes.

5. And zinc is a necessary part of them?—Yes.

6. Therefore, on that ground they should come in free?—Yes, or dutiable; the tariff should be made clear one way or another.

7. What is the next item?—Carriage- and cart-makers' bolts and nuts come in free, but bolts and nuts for other purposes are charged a duty of 20 per cent. We wish to know where the line is drawn, so that all importers should be placed on the same footing. [Samples of bolts and nuts produced.] The blacksmith makes his own bolts above $\frac{3}{4}$in. in diameter, but the smaller bolts he imports. I think that the tariff should be as follows: Bolts to be free of duty up to 7in. in length by $\frac{5}{8}$in. in diameter; bolts over those dimensions to be dutiable. Surveyors' steel bands are free, but surveyors' steel tapes are dutiable at 10 per cent. Indiarubber driving-belting, used largely for dairying purposes, is dutiable at 20 per cent., and in the interests of the dairy industry I think the duty should be removed. The duty was imposed to protect the manufacturers of leather belting, but the latter is not used in the dairy factories.

8. Can the leather belting be used in the place of the indiarubber belting?—No. Leather would not be used, no matter what the cost was.

9. Then, the duty does not assist the leather industry?—No.

10. What is the next item?—Pipes and fittings for water and gas are charged a duty of 5 per cent. Amongst the fittings is included a main-cock, fitted sometimes with an iron plug and sometimes with a brass plug. At some ports of the colony 20 per cent. is charged and at other ports 5 per cent. We do not care whether the duty is 20 per cent. or 5 per cent., but everybody should be placed on the same footing. I might say that that is the gist of all my remarks. Butchers' saws, knives, and cleavers are all dutiable, while other artificers' tools are free. Cider-mills and appliances are dutiable at 20 per cent. This season a large quantity of apples has been grown here for which there has been no sale, and, as it is likely that the manufacture of cider will be started, I think that cider-making appliances should be admitted free of duty.

11. Can such appliances be made in the colony?—Not at a price that could compete with the imported ones, or would permit an ordinary small farmer using one. Reaping-hooks are used by the small farmers for grass-cutting, and the duty charged is 20 per cent., while a farmer, with a 50-acre place, uses a machine or scythe, which is free of duty.

12. Is there no manufactory of reaping-hooks in the colony?—No. The duty was put on to protect the locally-made slashers.

13. *Mr. Tanner.*] Have you had any of the locally-made slashers pass through your hands?—Yes. They seem to be a very fair article; but, on the other hand, why should we have to put on a duty of 50 per cent. to assist the local manufacturers to compete with the English article? Soldering-irons, now 20 per cent., should be free, as artificers' tools. Sheep-shears pay 20 per cent., while sheep-shearing machinery comes in free. Mattocks used on small farms are now 20 per cent.; they should be free, the same as spades, forks, axes, and other farm implements. A further anomaly occurs in the matter of springs. Steel or brass springs are free, but spiral (not sofa) springs are dutiable at 20 per cent.

14. *Mr. McGowan.*] I judge from the tenor of your remarks that you do not object so much to the amount of the present duties upon the articles you have mentioned as to the lack of definition in the tariff, and, consequently, to the difficulty that you have in passing entries?—That is so.

15. As an importer the duty does not really affect you; it affects the consumer, but as between importer and importer it is not fair that one should have to pay duty on certain articles and the other should not. Is that not so?—Yes.

16. *The Chairman.*] Do you object to your name appearing as a witness here to-day?—No, I have not the slightest objection either way.

"SIRS,— "New Plymouth and Stratford, 23rd April, 1895.

"I would respectfully beg to call your attention to an item forgotten by me when giving evidence on the 20th instant. A general complaint among importers is the duty upon packing-cases containing dutiable goods being charged the same duty as the goods, the result of which is this: A packing-case is charged, say, 15s. in England, to which we have to add 10 per cent., and then the duty of, say, 20 per cent. (sometimes 25 per cent.) makes the case cost 19s. 10d. nearly. This case, when empty, is worth here 2s., or at most 2s. 6d. There can be no local industry affected by a remission of this duty. "I am, &c.,

"The Tariff Commission, Wellington." "DANIEL BERRY.

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(2.) W. A. COLLIS examined.

17. *The Chairman.*] What are you, Mr. Collis?—A photographer. I have been in business in New Plymouth about twenty years.

18. What matters do you wish to represent?—Under the tariff albumenised paper is admitted free of duty, but the printing-out paper is dutiable. I ask that the latter should be placed on the free-list.

19. The Commission have been asked to recommend that all sensitized surfaces should be admitted free: would that meet your purpose?—It would. If the Government cannot see their way to make this alteration I would suggest that one uniform rate of duty should be placed on all imported photographic materials, as under the present tariff a lot of uncertainty exists. The duty should be a medium one. I also wish to refer to the question of the imported photographic enlargements. These finished enlargements are admitted at a duty of 10 per cent., and we are charged from 20 to 25 per cent. on our raw materials; consequently we are unable to compete with them.

20. Would a duty of 30 per cent. on imported enlargements and views printed abroad from plates taken here meet the case?—Yes.

21. Have you any suggestion to make regarding mounts?—No. If the duty cannot be abolished it would be better to make it a uniform one all round of 10 per cent. I am charged 20 per cent. on plain mounts, and on fancy mounts a higher rate, as fancy goods, although the latter are only used for photographic Christmas cards.

22. Do you object to your name appearing in the newspapers as a witness here to-day?—No.

(3.) NEWTON KING examined.

23. *The Chairman.*] What are you, Mr. King?—An auctioneer. I have been in business here fifteen years.

24. Will you please state the matters you appear on?—Vegetable parchment, used for wrapping butter for export, is now charged a duty of 5s. per hundredweight; all other dairy requisites come in free. This parchment cannot be made in the colony, it can be used only for the one purpose, and it is an indispensable accessory to the modern dairy factories. The spare parts for cream-separators come in free, but the brushes are charged duty as brushware.

25. Can they be used for anything else?—No.

26. If recommended to be placed on the free-list, could they be readily distinguished by the Customs from other brushware?—Yes. I ask that the vegetable parchment, separator-brushes, and Babcock milk-testers should be admitted free. Milk-testers were originally free, but they are now charged 25 per cent. duty.

27. Can the testers be made here?—I believe that they have been made here, the material, however, being imported; but, according to the latest accounts, you require very fine machinery to make them. The dairying industry depends upon efficiency in testing, and I believe that the lapses we have had are attributable to inferior care in this respect. The price of testers runs from £3 to £12.

28. How long do they last?—Pretty well for ever; but they have to be supplied with glasses, which are imported.

29. The removal of the duty would not affect the revenue, I presume?—Very slightly.

30. Do you object to your name appearing in the papers as a witness here to-day?—No.

(4.) Fred Goodacre examined.

31. *The Chairman.*] What are you?—A boot clicker and foreman in the Egmont Boot-factory, belonging to my brother.

32. What matters do you wish to bring before the Commission?—The question of the tariff on boots. The local manufacturers can compete fairly well with the English and German goods, except in the very cheap lines. I produce a sample pair of English boots imported by our own firm. This is a cheap boot, and it could be made in the colony. The upper is made of split leather, and it would be an advantage to the tanners if these boots were made in the colony, because they would make a profit on the sale of their splits, which otherwise would not be used. We are not now importing any roans, but are using colonial leather.

33. You say that this split is made here?—Yes, and we can make as good an article as is in this English boot, but we cannot compete in the "bottoms" in the cheap lines that are imported. We can compete in the upper work. The bottoms of the bulk of the imported boots are made of compo. and cardboard, and I think the Customs should have power to examine these boots, and that a stiff rate of duty should be imposed an all boots found to be composed of shoddy.

34. How much extra duty do you think is required to stop the importation of the shoddy?—The difference in the price of material between leather and compo. runs from 5d. to 6d. a pair. This boot [produced] is bought in England for about 4s. 6d. a pair; the duty and other charges would make the landed cost here 5s. 6d. per pair.

35. What does it cost to make a similar boot, only using good leather?—A good boot of all leather cannot be made for less than 6s. 6d.

36. Then, to keep the imported boot out you want a duty of 40 per cent.?—Yes. I also produce a sample of a lady's imported kid shoe. German makers have attempted to make this calf-kid but they have only turned out an inferior article. I think the quality of the waters used in the tanning accounts for the difference in the quality of the French and German leather over ours. The former use the Rhine water for tanning, and it has this peculiarity: that the leather is made soft and clean.

37. You say that so far we have not been able to produce a calf-kid equal to the imported kid?—No.

38. I presume that you would be content if a sufficiently heavy duty were imposed on the lower class of goods in order to prevent the importation of the rubbish you mention?—We can compete with a boot or shoe at 12s. 6d., but the stuff invoiced at from 3s. to 6s. is knocking the colony out of time.

39. *Mr. Tanner.*] Do you find that split leather of colonial make is extensively used in the colony?—Yes; it makes the cheapest articles that we can manufacture.

40. Are you aware that the tanners and curriers complain that, while they can sell any amount of split, they cannot sell the kip?—No.

41. I suppose that that is due to the demand for cheaper material for fronts?—Yes; we find a difficulty in procuring enough split, and we cannot sell our boots cheap enough.

42. The tanners say that they can sell the split fast enough: do you not think that the demand for split acts as a deterrent to the preparation of good leather?—It does in a measure, and such a state of things has been brought about because the English goods are admitted at so low a rate of duty that we cannot compete against them.

43. Is not that the discouragement under which the leather trade labours, and which has practically killed the industry?—Yes.

44. Do you use the leather known as East India kip?—Yes.

45. How does that compare with colonial-made kip?—It wears twice as long as the colonial kip. We import the East India kip because we cannot obtain colonial calf, and we also prefer it. I did obtain some colonial calf from Auckland, which I preferred to the East India kip, but the Auckland people cannot get a supply of skins to enable them to turn out a quantity of this leather.

46. Is not the scarcity of skins due to the development of the dairying industry?—Not altogether. Three years ago cattle went down to a very low ebb, and the farmers killed and buried the calves rather than allow them to develop. Skins then went up to 6d. per pound, but at the present time they are down to 3½d.

47. Do you use any American split?—Very little, except for the heavy goods. The local curriers have not been able to make up a first-class satin hide, and there is a large quantity of American satin hide imported and worked up. If the local manufacturers of leather could buff the hides and make them look nice like the American they could supply us with a very thick split, but they object to supplying thick split, because they say that if they do so they cannot work up their grain.

48. Do you think that there is a reasonable market in the colony for satin hides made up in that way?—I think so, because the cheapest boot but one is made of this leather.

49. Your opinion goes in the direction of a rearrangement of the hide-splitting process, whereby the face, instead of being dressed as a thick kip, should be dressed as a satin hide, and thus leave a stouter split for the colonial boot-manufacturer?—Yes, that would suit the manufacturer well, and there would be a full demand for the split.

49A. You think it would be a paying experiment?—Yes.

50. *Mr. McGowan.*] Why do you wish to force people to use boots made of all leather if they prefer to buy them at a cheaper rate made of paper or compo.?—Simply because the manufacturer or labourer in the boot trade would benefit thereby.

51. Do you not think that it would be unfair, considering the number of people there are who wish to buy these cheap boots, to prevent them from obtaining them?—Certainly it is unfair, but as mortal beings we have to be governed by laws. There are a good many New Zealand laws that are unfair to numbers, but it is for the benefit of the whole that we make laws.

52. Would it benefit the whole community to make the poor people pay a considerable price for the boots they wish to have?—Certainly. A pair of boots at 3s. lasts a month, while a pair at 6s.—colonial made—will last for four months. We can make boots that will last four months at a very reasonable price, and the purchaser gets the benefit.

53. Do you not think that the public will find that out for themselves without putting a heavy duty on the imported articles?—No, because they will buy the cheapest article. If you advertise a cash sale everybody rushes it, thinking that they are going to get a bargain.

54. And, as a bootmaker, you wish to guard these people against the cheap and inferior articles?—Yes.

55. *The Chairman.*] Is there anything else?—I think that the tariff on glacé kids, calf-kids, East India kips, French calf, and patent leathers should be kept as low as possible, as they cannot be made in the colony.

56. *Mr. McGowan.*] Do you think that a tanner would be presuming too much if he wished to instruct you as to what leathers you should use—say a local tanner wanted you to use his leather instead of the imported kip?—I think that if the tanners can put a good article into the market and compete with the East India kip we should encourage them, even though we may have to put a duty of 3d. on the East India kip to enable them to compete; but they do not.

57. But would you allow the tanner to manage your business in the same manner that you wish to manage the expenditure of the poor people in regard to the purchase of the cheap boots?—Certainly.

58. *The Chairman.*] Do you ask for a higher rate of duty on all boots and shoes invoiced up to 12s. 6d. a pair?—Not exactly. If a boot, upon examination, is found not to consist of leather, it should be made to pay 35 per cent. extra duty.

59. You ask for a special rate of duty on boots and shoes composed wholly or in part of any other material than leather?—Yes; 35 per cent. additional to the present duty of 20 per cent., making a duty of 55 per cent. in all. I wish this to apply to all boots composed wholly or in part of any other material than leather in the bottoms.

60. Do you object to your name appearing as a witness here to-day?—No.

(**5.**) Edward Vickers examined.

61. *The Chairman.*] What are you, Mr. Vickers?—An auctioneer, and a member of the firm of Vickers and Stevens.

62. What matter do you appear on?—I apply for the removal of the duty on Simpson's calf-meal, an imported article. It is patented in England, but not in the colonies. There are also some local productions in the market.

63. Are they as good as Simpson's?—Several of our clients who have tried both say that the local ones are not equal to Simpson's.

64. Is Simpson's much used here?—I secured the agency nine months ago, when in England, and the article has given universal satisfaction to all who have used it here. A calf can be reared on it without milk, and it is a substitute for the butter-fat. I have here a list of testimonials received from all the counties in England. [List produced.]

65. What duty do you pay?—£1 a ton, and we ask that it should be removed, in the interest of local industry. We are selling the meal to agents at £25 per ton, and retail at £30 per ton. The freight alone from Home is a big handicap—viz., £5 per ton.

66. If the duty were removed, would the retail purchaser receive the benefit?—Yes.

67. Would you then be prepared to supply your agents at £24, instead of £25, per ton?—I would, but the Customs inform me that the duty in future will be 20 per cent.

68. *Mr. Tanner.*] Have you imported any shipments since receiving that intimation?—No. A duty of 20 per cent. seems to me to be prohibitive.

69. *The Chairman.*] Supposing the duty of 20 per cent. is insisted upon, by how much will the retail selling-price be increased?—By at least £4 per ton to the consumer. A calf can be reared for 3s. on separator milk, with this meal added. The stock inspectors and dairy experts have told me that they were very glad we had the meal here, and they express regret that the extra duty is to be imposed.

70. *Mr. McGowan.*] The position you take up in this matter is as an agent?—Yes, as sole agent for the colony. We are appointing agents in the different ports, and the meal will be shipped direct to those ports.

71. Was any reason given when the alteration in the duty was made from £1 per ton to 20 per cent.?—No. The tariff does not mention calf-meal specifically.

72. *The Chairman.*] Do you object to your name appearing in the papers as a witness here to-day?—No.

(**6.**) Hal Goodacre, of the Egmont Boot and Shoe Company, examined.

73. *The Chairman.*] What are you?—A boot-manufacturer.

74. What do you wish to represent?—There are several items in the tariff that conflict one with another, and should be altered. Coloured canvas used in boot-manufacture is dutiable, but plain canvas is free. The coloured canvas is used in shoemaking, but the plain canvas can be used for other purposes. In regard to the duty on boots, it is the imported cheap lines that we cannot compete with.

75. What remedy do you propose?—I think that a duty of 40 per cent. would be little enough on this very low class of imported goods. I am an importer as well as a manufacturer, and I make more money out of importing than by manufacturing.

76. To what limit of price would you want this duty?—I think that it should be on a graduated system, as in England, where they grade the boots in one, two, and three classes. Of course, that needs an expert, and the only course is to raise the duty all round.

77. By how much?—I should say that it should be 40 per cent. on boots and shoes generally. I believe that the Commission has been informed that children's shoes, 0's to 3's, can be made in the colony. My opinion is that they cannot be made here, and that they should continue to be admitted duty-free. We have also to pay duty on our machinery, and, as it cannot be made in the colony, I think that it should be placed on the free-list. It is unfair that we should have to pay duty when other trades get their machinery in free. In America boots are machine-made for 10d., and it costs us 2s. 6d. here; and the machinery difficulty is the great difficulty that we have to contend with. Machines are being improved upon so rapidly that if a manufacturer imports a machine it may soon become out of date, and be thrown upon his hands. I ask that iron lasts and sole-knives, fittings and trimmings, such as leather ornaments and ribbon bows, should be admitted free, as we cannot make them in the colony. Sheepskin leathers are dutiable, and I think that they should be free. I refer to dressed sheepskin—glacés, persians, dongolas.

78. Are not roans imported?—Yes; I do not object to roans being dutiable, only to the glacé goods. Moroccos are admitted free, while levants are dutiable at 3d. a pound; and I ask that the levants should be enumerated in the tariff by name, such as seal or goat. The levants and moroccos are similar leathers.

79. *Mr. Tanner.*] But a skin may be dressed as a morocco at one time and as a levant another?—I think that they should all be dutiable at 1d. per pound.

80. *The Chairman:* We have here the proposals made jointly by the Christchurch bootmakers and curriers and tanners. [Proposals read to witness, who thought that it would not be an unfair tariff, with the exception of satin hides dressed in the grain, the proposed duty on which—3d. per pound—was too high. Witness thought that they should bear the same duty as the East India kip—viz., 2d.]

81. *The Chairman.*] Is there any other matter?—Boot-boxes, if imported, are dutiable, and I think that they should be free.

82. *Mr. Tanner.*] Are they not made in the colony?—Yes; but you cannot ship them from the places in which they are made to other towns, because the freight is too high. I can import them cut into shape, and put them together here. The putting of them together creates labour here. They can be described as cardboard boxes unmanufactured, and whether cut or uncut.

83. *The Chairman.*] Do you object to your name appearing in the papers as a witness here to-day?—No.

TUESDAY, 23RD APRIL, 1895.

(7.) CHEW CHONG examined.

84. *The Chairman.*] What are you?—A butter-manufacturer and merchant. I have been in business in New Plymouth twenty-five years.

85. I believe that you have some suggestions to make regarding the tariff: will you please state them?—With a view to the lessening of the drink evil, I recommend that the duty on imported spirits, wine, and beer should be doubled, and that the publichouses should be made to pay a license-fee of £100 a year. The poor man does not require spirits, &c., and if the duty were raised I am of opinion that it would do great good, as people would not be able to pay the price required; consequently there would be less drinking and drunkenness and happier homes and families. At the same time I think that the duty should be removed from currants, raisins, and rice, and that the duty on sugar should be reduced. You could also double the duty on tobacco and cigars, which are luxuries, and can be done without. I do not think that these reductions would hurt the revenue, as the higher duties would compensate for the reduction in the quantities imported.

86. Supposing the duty on spirits and wine were doubled, would it not be a great inducement to smuggling?—Yes; but you could meet that difficulty by heavily fining any one caught smuggling. You must punish them severely.

87. The Chinamen in New Zealand use a great quantity of rice, and as they do not drink or smoke they would not contribute anything to the revenue if the rice duty were removed: how would you meet that point?—You might make rice pay a tax of 3s. per hundredweight, which is half the present duty. The Chinaman does smoke and drink, but he never gets drunk like the European. Rice and currants and raisins are largely used by the white people, especially by the working-classes, and I think that they should get them as cheaply as possible.

88. *Mr. Tanner.*] Do you export much fungus to China?—I did at one time; but I sell it here now to local merchants.

89. *Mr. McGowan.*] Do you think that it would be an advantage to impose an export duty on fungus?—No.

90. Would it stop its sale?—Yes.

91. What is fungus worth in China?—About 3½d. per pound.

92. Do the Chinese here make much money from the exportation of old zinc to China?—No; it does not pay to send it, as it is worth more here than it is in China.

93. Do you think that it would be a wise thing to increase the duty on matting imported from China?—No, because it is used by the poor people.

94. What is your opinion of the duty on tea?—I do not object to it; but I think the duty should be taken off sugar.

95. Do you think that it is fair to place the same duty on the poor tea as on the good tea?—No. We cannot sell the higher-priced teas now; the 2s. tea is mostly in demand.

96. How do you explain that?—People prefer the cheaper tea; but it is not the best. In China people give 10s. a pound for tea.

97. Does it not arise from the fact that tea is imported and sold in the made-up packages?—I do not think that fact makes any difference.

98. Do you think that there should be any increase in the duty on preserved ginger?—No; the present duty is high; but you can make it what you like. I do not eat any.

99. *The Chairman.*] Have you any objection to your name appearing in the papers as a witness here to-day?—No.

AUCKLAND.

THURSDAY, 25TH APRIL, 1895.

(1.) FREDERICK CROSBY examined.

1. *The Chairman.*] What are you?—A member of the firm of Anson and Crosby. I am a brushmaker, and have been in the trade thirty years; but I am not now carrying on the manufacture of brushware, as I cannot compete against the imported brushes. With Mr. Anson, I am carrying on the trade of a painter and decorator. I did employ at one time thirteen hands in brushmaking.

2. What do you wish to say on this subject?—At the present time the tariff only protects the general brushware trade—namely, brushes and brooms used for domestic purposes. There is no duty on the imported paint-brushes, which come under the heading of "artists' brushes," and are free of duty. I produce samples of paint and artists' brushes, to show the difference between an ordinary paint-brush and an artist's brush. If a duty were placed on imported paint-brushes I would be prepared to start the manufacture in New Zealand.

Mr. Glasgow: The brushes the witness has produced are not free because they are artists' brushes, but for the reason that they are artificers' tools.

Witness: There are other brushes which come under the same heading (artificers' tools) which are not free.

Mr. Glasgow: Household brushes are dutiable as brushware.

Witness: Some of the brushes I produce are of colonial make; others are of English and German make. In Victoria there is a duty of 35 per cent. on imported brushware all round, with the exception of artists' brushes, which are free. I ask for a duty of 35 per cent. *ad valorem* on all imported paint-brushes, with the exception of artists' brushes, properly so called—namely, camel-hair and badger-hair brushes. I also ask that the handles and ferrules should be free, because they cannot be made in the colony. The following is a list of the brushes upon which the duty should be imposed: Socket dusters, set dusters, ground-brushes (oval or round), one-knot distemper, two-knot distemper, three- and four-knot stock brushes, nailed stock brushes, limer heads, jamb-brushes, washdown brushes, tar-brushes, marble-brushes, paperhanging-brushes, sash-tools, varnish-brushes, weatherboard-brushes, kalsomine-brushes, stencil, stipplers, copper-bound lime-brushes, whisk caustic brushes, glue-brushes. When there was no duty on brushware in Victoria brushes were dearer than now, but since the duty was imposed more brushes have been made, and the prices are now lower than before the duty was imposed.

3. *Mr. McGowan.*] Is it not a fact that the brush trade is in a bad state in Victoria?—Yes, and every other trade.

4. Is it not a fact that there is no payable remuneration for the labour employed in brush-making?—There is for the labour employed.

5. I understood you to say that prices are lower than formerly?—The selling-price of the article is lower, but not the price of labour.

6. You think that you are justified in asking for a duty on the paint-brushes, in order that you might obtain employment?—Not only I, but in order that I might employ others.

7. *Mr. Tanner.*] Have you any idea of the quantity of brushware imported into the colony?—Very little is manufactured in Auckland; all the hair-brushes are imported, but they could be made here.

Mr. McGowan: I think that the witness is making a mistake in saying that all hair-brushes are imported.

Witness: I refer to brushes used for brushing hair. I do not know whether machine-brushes are made here; I do not think that any one in the colony has had experience in manufacturing that kind of work.

8. *Mr. Tanner.*] You mean to say that hat-brushes and clothes-brushes can be made here also?—Yes.

9. Are you aware if any attempt has been made to make them in the colony?—No. There is a duty on this class of brush at present, but it is not sufficient to guarantee any certainty of trade to an individual starting the business.

(2.) JAMES WILKINSON, GEORGE PERRETT, Sen., and GEORGE PERRETT, Jun., examined.

10. *The Chairman.*] What matter do you appear on?

Mr. Wilkinson: We ask for an additional 10 per cent. duty on imported heel- and toe-plates and tips used in boot-manufacture. If we could stop the importation we could employ more labour. We employ seven hands now, including ourselves. There are no other manufacturers here.

11. *The Chairman.*] What amount of duty to you require to enable you to compete with the imported article?—30 per cent.

12. What difference would the extra duty make to the purchaser?

Mr. Perrett: The price now, retail, is 8d. a dozen, and it would not be increased. The effect of the extra duty would be to enable us to compete with the wholesale houses who import the articles now.

13. *The Chairman.*] What do you get wholesale?

Mr. Wilkinson: From 4s. 6d. to 7s. a gross.

14. *The Chairman.*] Would an increase in the duty of 10 per cent. stop the importation?—Yes; the bootmakers prefer our tips and plates.

15. If this duty of 30 per cent. were adopted, would you be able to secure the market?—Yes. We could employ more labour, and turn out more goods.

16. Are there any other makers of heel-tips and toe-plates in New Zealand?—One each in Wellington, Christchurch, and Dunedin.

17. Is there sufficient demand in the colony to keep all these firms going as well as your own?—I think that there is.

18. *Mr. Tanner.*] Are the tips and plates imported mostly by boot-manufacturers or by leather-manufacturers?—By grindery importers.

19. Have you ever met with such a state of things as this: When a new industry is attempted to be established, importers will sometimes sell goods at cost price, or even at a small loss, in order to kill such industry?—Yes, I have experienced it here, and the importers are doing it now in respect to our particular industry.

20. What class of goods do you make?—All classes of tips, and heel- and toe-plates. [Samples produced.]

21. What iron do you use?—Rod-iron for heels, plate-iron for toes.

SAMUEL PARKER and JOHN CHAMBERS attended as a deputation from the Auckland Galvanising Works.

(3.) SAMUEL PARKER examined.

22. *The Chairman.*] You gentlemen represent the Auckland Galvanising Works, I understand?—Yes; Mr. Chambers is a director, I am the manager.

23. Do you employ much labour?—Thirty hands.

24. What are the wages paid?—£50 a week. There is also to be reckoned the indirect labour employed in acid-making, in the making of cases, and in the collection of the scrap-iron and zinc. The acid is made at the Otahuhu works.

25. What goods do you manufacture?—Plain and corrugated sheet galvanised iron, spouting, ridging, tanks, buckets, and tubs.

26. What do you ask in connection with the tariff?—We find a great deal of difficulty in competing with the imported galvanised plain and corrugated iron in consequence of the action of Lysaght in cutting the price down to such a low figure, with the ultimate determination to get a monopoly of the trade.

27. Are they selling it an unremunerative price?—Yes. They advertise it in Auckland at a lower price than in other parts of the colony—namely, from £1 10s. to £2 a ton lower. In Wellington it is quoted at £16 10s. a ton; in Auckland, £15 a ton.

28. Are there other manufacturers of galvanised-iron goods in the colony?—There are makers of buckets and tubs, but not of plain or corrugated iron. There was another large firm in Wellington—Ballinger—but he was ruined by the same thing.

29. To what amount do you want the duty raised?—£1 a ton; otherwise we shall have to give up the manufacture.

30. What should the imported iron be sold at, allowing for an ordinary fair profit?—£18 a ton. The present price in Sydney is about £15 10s. or £16 10s. a ton, and the duty here is £2. The freight to Sydney is 10s. a ton less than to here.

31. What is the Home quotation for the same brand of iron?—£13 5s. a ton, subject to 2½ per cent. discount. The freight and charges, including the duty, amount to £4 5s. a ton. These figures are for the corrugated iron, and not for the plain iron.

32. Assuming that the duty were raised, would you then be able to compete?—Yes, because I do not think that Lysaght would be able to lower the price all over the colony to £16 a ton.

33. If the importation were stopped, would you be disposed to raise your price by £1 a ton?—No.

34. At what price do you sell now?—£18 a ton. We are obliged to sell at this figure, or else keep the iron in store.

35. If you had the extra duty, would you be able to command any trade outside Auckland?—Yes.

Mr. Chambers: The Union Company charge 10s. a ton, and when the opposition boats run it only costs us 5s. a ton, to move the iron to other centres.

36. *Mr. Stevens.*] Are the iron-merchants selling the galvanised iron at £15 a ton?—No, £16 10s.

37. Supposing that this duty were imposed, and the importation stopped, would your company be able to supply the whole colony at a reasonable market-price?—No. The extra duty would open up the industry, and branches would be established at other places.

38. Do you import the block iron?—Yes. The Onehunga works did make the block sheets, but the excessive competition killed them.

39. Was the Onehunga iron as good as the imported?—Yes.

40. Under ordinary circumstances, could they have supplied it as cheaply as the Home article could be supplied?—Very nearly, and we should have given the preference to them, even if the iron had cost a few shillings more. In fact, we did give more for it.

41. Can you make buckets, tubs, and spouting as cheaply as they can be imported?—Barely. There is only 1½d. duty on an imported bucket, and it is very hard work to fight against them.

Mr. Chambers: We have decided not to ask for any increased duty on that class of goods.

42. *Mr. Mackenzie.*] If you obtained a duty of £3 a ton, might not Lysaght then start an industry here, and the competition locally become greater than the competition from Home?—No. I would be prepared to meet any competition in the colony, and only ask for fair-play.

43. What is the usual freight on corrugated iron to New Zealand?—£1 5s. a ton. The last vessel brought out 800 tons.

44. The fact is that the user can now buy corrugated iron at £15 a ton?—Yes.

45. And the effect of your request would be to increase the price to the user?—I do not think permanently. The present position is that if our industry is killed up goes the price, and Lysaght is trying to do this.

46. But you do not prove that Lysaght is not able to sell at the price you have quoted?—I think that it is very clear when you compare the Home price with the advertisement as to the Auckland price.

47. Take the Home price at £13 5s., less 2½ per cent., that would be about £12 18s. 6d. You say that Lysaght imports 800 tons at a time. I suppose he will get it out for about 10s. a ton. Is that correct?—It would cost him pretty nearly £1 a ton, as he has to charter the vessel, and take the risk of the return freight.

48. Is it not a fact that fencing-wire is frequently brought out at 5s. a ton?—No. One sailing-vessel came to Auckland at that freight, and one or two steamers brought out iron wire at 12s. 6d.

49. I refer to Wellington. I am aware that galvanised wire has been brought out at 5s. a ton, and, according to your own showing, you have now protection to the extent of £4 5s. a ton?—No.

50. I gather that from what you told us. There is the present duty of £2, and other charges £2 5s., so that the colonial article has the advantage over the Home article to that extent?—It costs us £2 5s., and a little more, because Lysaght imports his iron a little less than we do by chartering his own vessel. We have also to import the block sheets.

51. I thought that you used New Zealand iron?—No; the local works have closed down, and I have to import.

52. Are not Government contractors obliged to take your iron in preference to the Home iron?—Yes.

53. Is it not a fact that a contractor might have to pay you £2 a ton more than he can buy the imported article at?—No. He pays a slightly higher price—viz., £18 a ton—than I give the ironmongers, but I am not getting that price from the Government.

54. What is your output in a year?—We can do about 160 tons a month.

55. Is not the tendency of the duty not to lessen the price, but to increase it?—No. The tendency at the present moment is to shut the industry up, as within six months of the starting of our factory in Mechanics Bay the price of iron was lowered to £15 a ton.

56. But it is a fact that a person now can buy iron at £15?—Yes, but Lysaght is not going to continue selling at that price.

57. Is it not a fact that Lysaght's iron in Wellington is lower than yours is?—It is the same price in Wellington as ours.

58. Is it not paying you just now to sell?—We are barely clearing the month's wages, without reckoning office-expenses.

59. *Mr. Tanner.*] Was the name of the vessel in which Lysaght imported the 800 tons of iron the "Annie Fletcher"?—I do not think it was.

60. Would you be surprised if we told you that the "Annie Fletcher" was chartered for 7s. a ton, and that her cargo was distributed between the three ports of Dunedin, Lyttelton, and Wellington? She brought 800 tons of iron to Dunedin.

61. *The Chairman.*] Do you wish your names mentioned in the papers as having appeared here to-day?—We wish the matter kept quiet. Of course, we do not want a duty on the block sheets that we import.

Mr. Chambers: I wish to ask that kerosene-oil for oil-engines should be admitted free of duty. I appear as an importer of patent and other machinery. There is now a demand for oil-engines for mining purposes. One engine of 25-horse power is going to the Waihi Mine. I do not ask for the free admission of the ordinary kerosene-oil; it is oil of an inferior quality that is used.

62. *The Chairman.*] How would it be possible to distinguish this oil from other kerosene-oil?—The oil I refer to is imported in casks or tanks, and is of a lower test than the ordinary kerosene-oil for lighting. 150° is the ordinary lighting-test, and 120° is the standard of this engine-oil.

63. If the duty on this engine-oil were removed, would it be possible to use it in place of the lighting-oil?—No.

64. Are there no means of refining it here?—No; it would not pay to do so.

Mr. McGowan: The only danger of the removal of the duty seems to be that a person might go to the trouble of refining the oil.

Mr. Chambers: It is too large a business chemically to attempt to refine it.

Mr. McGowan: It can be refined for less than 6d. a gallon.

Mr. Chambers: The difficulty could be met in this way: Mining machinery is admitted duty-free upon a certificate from the mine-manager that the machinery is *bonâ fide* mining machinery for use in a particular mine, and the same plan might be followed with the oil. I do not mind whether this request is made public or not.

(4.) Matthew M. Kirkbride, President of the Auckland Provincial Agricultural Association; and Robert Hall, a member of the Executive of the Association, attended as a deputation. The deputation was introduced by Mr. Massey, M.H.R.

65. *The Chairman.*] We understand that you gentlemen attend as a deputation from the Agricultural and Pastoral Association, in connection with the adjustment of the tariff. Will you kindly state your request?

Mr. Kirkbride: With the intention, no doubt, of assisting certain classes in the community, artificers' tools are duty-free. Many articles, and some raw materials, used in manufactures are also admitted free, while on many manufactures there is a heavy duty levied, amounting to as much as 20 and 25 per cent. in many cases. Well, as a deputation, and as working farmers, we submit to you that it is manifestly unfair that many of the tools and appliances used by farmers and settlers should be so heavily taxed. The heavy duties on many things in common use on farms materially increases the expenses of the farmer. In all fairness, we ask that all machinery, tools, and appliances used by settlers and farmers in clearing and working the land shall be admitted into the country free of Customs duty. Workers on the land are surely entitled to as much consideration as other workers. I use the term "workers" advisedly, for the great majority of farmers are working farmers like myself, who work longer hours for lower pay, and take fewer holidays, than any other class of workers in the community. I have mentioned lower pay, and I think I can say without fear of contradiction that farm-hands get lower wages than artisans; and, speaking from experience, the working farmer—nearly all are working farmers here—does not get a living-wage with present produce values. We ask these concessions, because—first, our remuneration is lower than other workers'; and second, the prosperity of the country depends almost entirely on the success of the farming industry. We have only to glance at our exports to see that they are largely made up of produce from the land. Out of £8,985,364, the total value of exports, £6,559,486 is credited to agricultural produce and products. The decrease in value of agricultural exports is shown by the following figures: 1892, £7,189,317; 1893, £6,559,486. This shows a shrinkage in the purchasing-power of the farmer of £629,831. And, from the known fall in prices, the shrinkage would still go on in 1894. I wish here to draw your attention to the fact that produce values are not dependent on New Zealand consumption. The value of all farm produce is fixed here by what that produce fetches in British and foreign markets. With present low prices ruling, it seems to us monstrous that we cannot purchase the manufactures we need direct from the people who consume the bulk of our produce unless those manufactures are enhanced in value by 20 or 25 per cent. Customs duty. That many farm requisites are made more costly is a cruel injustice to settlers and farmers, with many of whom it is one continual struggle for existence; and I will show you that they are made more costly by quoting from the tariff. I will begin by making a few comparisons: tailors' shears, free; sheep-shears, 20 per cent.; driving gear for sheep-shearing machine, 20 per cent.; shoemakers' sole, heel, &c., knives, free; tailors' cutting-knives, free; hay-knives, 20 per cent.; sails, as ship-chandlery, free; rick- and wagon-covers, same material as sails, 20 per cent.; canvas horse-covers, 25 per cent.; aprons and elevators, 15 per cent., one only allowed to each binder; grindstone fittings—opticians', free; common, 20 per cent.; glass-paper, free, used by carpenters and cabinet-makers; paper for printing purposes, free; paper, oiled, for artists' use, free; butter parchment-paper, 5s. per cwt.—this is the thing used by the dairy farmer. It appears to me that all kinds of wire come into the country duty-free except the wire used by the farmer for fencing: Wire rope, as iron and steel cordage, free; wire rope, clothes-lines, free; wire piping, for making up apparel, free; wire netting, iron, free; wire, galvanised copper, for sofa- and chair-springs, free; wire, gold, for dentists, as n.o.e., free; wire, copper, as electric appliances, free; wire, bottling, free; wire, iron, Nos. 12, 13, 14, as n.o.e., free. Contrast: Wire pens for poultry, as wirework, 20 per cent.; wire, iron fencing, 1s. per hundredweight (value imported 1893, £490,000; duty, £6,000); wire, barbed-iron, 2s. per hundredweight (value imported 1893, £24,000; duty, £3,700); staples, book-binders', free; staples for fencing-wire, 20 per cent. (value imported, £4,500; duty, £900). Evidently artificers and manufacturers generally had powerful friends in court when the present tariff was compiled, for in it their tools of trade are admitted free of duty, while the articles they manufacture are protected by a tax varying from 20 to 25 per cent. I will go on quoting from the tariff, and show you how the farmers and settlers are "encouraged." One of the first articles a settler purchases when going out into the bush to clear his land is a billhook, and billhooks are taxed 20 per cent. Billhooks are required for clearing fern- and scrub-land; on cultivated farms, trimming hedges. Mattocks, maul-rings, and wedges are taxed 20 per cent.; reaping-hooks, 20 per cent., with which the farmer cuts his grass for seed and rushes to thatch his stacks. Turning to ploughs, we find they are free; but, strange anomaly, mould-boards, shares, breasts for ploughs, are taxed 20 per cent. The body of ploughs last a farmer his lifetime, but mould-boards require renewing every few years. One would think a common-sense reading of "The Customs Act, 1888," which states that ploughs are free, would mean that all parts of ploughs are free. Imported mould-boards and shares are used by local makers, with the exception of Reid and Gray. Rakes: Horse-rakes, hand-rakes, every kind of rake, except till-rakes, pay 20 per cent. and 15 per cent. Ploughlines, 20 per cent.; all English-make used here. The foreman to one of the largest saddlers in Auckland told me that their firm sold all English ploughlines; there was no demand for New Zealand make. Carts, drays, wagons, 20 per cent.; chaff-cutters, corn-shellers, corn-crushers, 20 per cent.; iron gates, hurdles, straining-posts, 20 per cent.; harness and harness-leather, 20 per cent.; whips and whip-thongs, 15 per cent.; binder-twine, 15 per cent. This prime necessity of the farmer, although manufactured in New Zealand, costs us here 1d. per pound more than the Victorian farmer. After paying freight and importer's profit, New Zealand twine is sold in Australia at 3¾d. per pound. The twine-manufacturers here actually charge outsiders 25 per cent. less than Home buyers—a kindly return for the protection of 15 per cent. allowed them on British- or foreign-made twine. Fruit-paring machine, 20 per cent.; fruit-evaporator, 20 per cent.; milk-pans, 25 per cent.; kerosene, 6d. per gallon. Sheep-dip: We beg to protest against any duty being placed on sheep-dip. Any such duty will inevitably lead to all dips being advanced in price, and we have no guarantee that the dip manufactured here would be of as good quality as imported. Sheep-dip is admitted free in Uruguay, River Plate, the Cape, and Australian Colonies, even Victoria. Woolpacks, 2s. 6d. per dozen (value imported, £30,000; duty, £4,000); class-tax, fall on 15,000 sheep-owners=5s. per head. We do protest in the strongest manner possible against any increase of duty on articles used or required by farmers and settlers, and we also ask that the heavy duty now levied on many articles in daily use on our farms should be

reduced to, at any rate, something like a revenue standard, as such duties materially increase the expenses of the farmer. We are quite confident that, if the manufacturers or workers in most of the protected industries would be satisfied with relatively the same pay or remuneration as the farm-workers and the farmers have to be satisfied with, the present heavy duties now levied could be reduced to a standard consistent with a revenue tariff only. We hold that Customs duties, to be anything like equitable in their bearing on the community, should be levied on those goods and articles which are used by all, and, of course, on luxuries as heavy as you like. There can be no doubt that the encouragement of local industries conduces to the concentration of population in the towns. The farmer cannot afford to pay, nor does he earn for himself, anything equal to the wage of most workers in protected industries. The farmer has to sell the produce of his toil for what it will fetch in the open market, and he looks upon the encouragement given to those who can sell the produce of their labour at the market-price, *plus* 20 per cent. Customs duty, as more or less a bribe to induce men to choose a more profitable occupation than that of tilling the soil. In conclusion, I trust that you gentlemen, and those who are associated with you in legislating for the future, will see that the work of the man who clears the land of the forest and the fern, that the growing of wheat and potatoes, the work of producing mutton, wool, butter, cheese, &c., is as deserving of encouragement and as important as the making of harness, drays, clothes, boots, and other manufactures. [As showing that manufactures had rather decreased than increased after the first year (1889) of tariff assistance, Mr. Kirkbride quoted from Official Handbook, 1893, page 114, that exports of manufactures in 1889 amounted to £569,880, and had decreased year by year, until, in 1893, the value exported was £345,636.]

66. *The Chairman.*] Generally, I understand you to ask that all tools and implements used by farmers should be free of duty?—Yes.

67. You stated that Hornsby's ploughs were the ploughs used here. Is that so?—Hornsby's mould-boards are mostly used on ploughs in our neighbourhood.

68. In Otago and Canterbury the local plough-makers seem to have got the entire command of the trade. Have you plough-makers in Auckland?—Yes; Wallace, and also Dunwoodie.

Mr. Massey: Reid and Gray also.

69. *The Chairman.*] Am I to understand that nearly all the ploughs used here are imported ploughs?—No. The ploughs are built here; but imported mould-boards are used.

70. You therefore want the mould-boards admitted free?—Yes.

71. Why do you wish the duty removed from the imported horse-covers?—We are under the impression that the duty will increase the price.

72. It has been put in evidence that since the duty of 6d. per pound was imposed on harness-leather the competition has caused the price of harness to fall, so much so that a set of harness can be bought now for £1 10s. less than it could be obtained for before the duty was imposed. Have you such an excessive competition here?

Mr. Hall: That has not occurred in consequence of the imposition of the duty.

Mr. Kirkbride: There are still several thousand pounds' worth of harness-leather imported annually into the colony.

Mr. Hall: And we have to export the raw material.

73. *The Chairman.*] Do you ask that all the kerosene-oil should be admitted free of duty, on the ground that farmers use it as much as, or more than, the town people?

Mr. Kirkbride: Yes.

74. *Mr. Tanner.*] Do you regard the figures given in the New Zealand Handbook with reference to wages reliable?—We have to go by them. I have also my experience in my own neighbourhood to assist me.

75. Are you aware that the southern trade-unions have remonstrated with the Labour Department on the absolute inaccuracy of those figures?—No.

76. You speak of a shrinkage of £629,000 in the purchasing-power of the farmers, owing to the fall in prices, and of a decrease of £225,000 in the value of the exports of manufacturers, and you lead us to suppose that the latter decrease was owing in some mysterious manner to the alteration of the tariff in 1888. Would not the same reason that you assign to the decrease in the export of agricultural produce—namely, the universal fall in prices—apply also to the fall in the amount of exported manufactures?—I do not know.

77. You assign one reason for a decrease in one branch of industry, and you hesitate to ascribe any reason for a corresponding decrease in another branch?—I did not assign any reason for the value of the exported manufactures declining.

78. But you did for the fall in the value of the exported agricultural produce?—Yes; because it is a farmer's complaint.

79. Have not the manufacturers participated in the fall in prices?—I do not think so to the same degree at all.

80. Then, you do not purchase the imported manufactured articles?—We have to purchase some of the articles that are exported.

81. Is not sheep-shearing machinery mostly used on the large properties?—Undoubtedly.

82. You speak of this being a community of small settlers; in that case, how would the 20-per-cent. duty on driving gear for sheep-shearing machines affect these settlers?—I was speaking for the colony as a whole.

83. Does the admission free of agricultural, dairy-factory, and flour-milling machinery assist the agricultural interest?—Yes.

84. Are you aware that mining machinery is free?—I did not look into that.

85. If you acknowledge that the various classes of machinery I have mentioned are free, how do you arrive at the conclusion that "the artificers and manufacturers must have had powerful friends at court when the present tariff was compiled," in the face of the fact that all spinning and weaving machinery is taxed 20 per cent.?—I did not refer to the large woollen manufacturers.

86. In any case, all manufacturing machinery is subject to a duty of 20 per cent., with the exceptions that you say are favourable to the fostering of agriculture. How could you make the statement you did?—It seems to me that artisans had powerful friends at court at the time, and I do not think there is anything wrong in my saying so; otherwise, we should not have seen all the items I have named picked out for duty.

87. Artificers who have come before the Commission have made precisely the same complaint as to the duty on their tools and appliances. You state that a duty on sheep-dip would lead to an advance in the price of colonial dip?—Yes.

88. Can you mention any cases in which, through the imposition of duties, the local manufacturers have taken advantage of such duties to raise the prices of their articles?—I can give my personal experience in the matter of boots. When the tariff was increased the man who made my boots told me that the price would be increased after the first month by 2s. 6d. per pair.

89. Were they colonial boots?—Yes.

90. Is it your experience that the best leather cannot be made in Auckland?—Yes. I believe the best harness-leather is imported English.

91. You do not intend that assertion to apply to every other part of the colony?—No. I cannot speak of other parts of the colony, only Auckland.

92. *Mr. Mackenzie.*] You judge that the artisans in cities had more influence at court on account of the particularly favourable terms which were extended to them regarding their tools and appliances when the present tariff was made up?—Yes. That was the common idea amongst farmers at the time.

93. I think that you were quite justified in that conclusion. All the dairy-factory appliances are not free, although it would appear from Mr. Tanner that they were. There are certain articles that are not free.

Mr. Tanner: I spoke of machinery and appliances.

94. *Mr. Mackenzie.*] If a tariff of 30 per cent. were placed on all agricultural machinery used by farmers, what effect do you think it would have on the price?—I think that the price to us would be increased by that amount.

95. Have you ever used reapers-and-binders made in New Zealand?—No, but I have seen them used.

96. What do you think of the New-Zealand-made reaper-and-binder?—They seem to me to be of very heavy draft.

97. When the duty was placed on woolpacks, is it not a fact that at that time small farmers did not ship to the extent that they do now?—Speaking of the Auckland District only, I do not think there is much difference.

98. You reckon now that woolpacks are almost as generally in use amongst the farmers as cornsacks?—Yes, and a great deal more so in the Auckland Province.

99. If a duty were asked on imported clover-seed, what would you think of it?—I think that the duty would increase the price of the article, and I should oppose it.

100. Do you use much coal on the farms here?—Not a great deal.

101. A duty on coal would not affect you much?—Of course, coal is used to a certain extent.

102. The way you put your case is this: that farmers just now, with the present prices, cannot afford to pay any increased cost for the articles they use?—That is so; we are asking for a decrease.

103. You put your case on the ground that they cannot afford to pay any increase?—Precisely.

104. And your next complaint is that the artisans in the towns had powerful influence when the last tariff was framed?—Yes.

105. You complain generally that while the artisan gets all his tools free and the material he uses, and is protected on the article manufactured by him to the extent of 25 per cent., the farmer has to pay duty on some of his machinery, and is not protected to the extent of a brass farthing on what he produces?—I think that is precisely what I said in my evidence.

106. Is rabbit-netting much used in this province?—No.

107. *Mr. Hutchison.*] You have pointed out, Mr. Kirkbride, some anomalies that I think require rectification; but do you not think that your case would have been better if you had not made such a very distinct insinuation against one class in the country? Everything you have said to-day has been intended to make out that the farmers should get different treatment from other classes in the country, and that they are an ill-used class, whereas every effort is being made to give them assistance?—I should think that it would have a tendency to bring class in when we find that woolpacks are taxed so heavily. They are used only by the farmers.

108. That is a fair item to mention, and I think that your request that woolpacks should be free perfectly reasonable; but your statement applied to the tariff generally. Take kerosene-oil; there is four times as much used in the towns as in the country?—How so?

Mr. Hutchison: Because there are so many more people in the towns to use it.

Mr. Kirkbride: The people in the towns use gas and the electric light. I do not think that there is a larger population in the towns than in the country districts.

109. *Mr. Hutchison.*] No. You spoke of the remuneration received by the farmer and his labourer. I do not think that you drew any distinction between them. You said that they are both ill-paid; but if the labourer is ill-paid, is not that the fault of the farmer who pays the man? What does the farm-labourer earn in a year?—I did not use the word "labourer"; I used the word "worker." I never like to use the word "labourer," because I have been used to nothing but "work" all my life. We never use the word "labourer" when speaking of farm-hands. In Auckland a single man on a farm receives from 10s. to £1 a week and found—more, in many cases, than the farmer gets himself.

109A. They are paid much better than the labourer in the towns, who generally gets 6s. per day, and is only employed three days a week?—Mr. Hutchison is speaking of the casual workers in towns. I compare regular workers in towns with farm-hands.

110. Do you not think that it would be a desirable thing to find employment for these people, even if you had to pay a little more duty towards that end?—I do not think that would aid them. Increasing the duties diminishes the amount of money the farmer has to spend on labour.

111. How many sheep does a small farmer possess, on the average?—From 100 to 250.

112. How many shears would he use in the year? I suppose the duty would amount to 1d. or 2d. on each pair?—It amounts to 1s.

The Chairman: It amounts to 10d., at any rate.

113. *Mr. Hutchison.*] Are not grindstones used for every trade, and not by farmers only?—I am asking for the remission for others as well.

114. The result of your request is simply to make all things used by the farmer free, and consequently articles used by other people must be charged a heavy duty?—I beg your pardon, but I do not want any man to misconstrue what I have said. I have not asked for heavy duties to be levied on a single article. What I asked for was that the tariff on many articles in every-day use on farms should be reduced, at any rate, to something like a revenue standard.

115. You have simply spoken in the interests of a class, instead of looking at the interests of the whole community?—To handicap the most important industry in the country by heavy duties is detrimental to the interests of the whole community.

116. *Mr. Stevens.*] It has been suggested that an import duty should be placed on manures, on the ground that the imported manure was largely adulterated, and consequently the colonial manure could not compete with it: how would such a duty affect the farming community?—The price would be raised by the amount of the duty.

117. Do you consider the quality of the imported manures equal to the quality of the locally-made manures?—Yes.

118. Which salt do you use here—the Black Horse or the South Australian?—I do not know anything of the South Australian salt. I simply ask that the salt we use on the farms should be admitted free.

119. Are you aware of the results of the tests made between the imported and colonially-made sheep-dips?—No.

120. At a test made in Hawke's Bay a colonial dip was placed first amongst a large number of competitors?—If the local manufacturer will only produce a superior article he can always sell it.

121. They say not. Speaking generally of the hardships that the farmers have to put up with, I suppose that it is an acknowledged fact that the farmer has as much of the general revenue expended for his benefit, in the shape of expenditure on roads, bridges, and buildings, as other sections of the community: is not that so?—We are a community of small farmers here, and many burdens are laid on us other than the Customs duties. For example: In a small district like the Mangere Road District, we have to contribute £113 a year (about a third of the rates) to charitable aid, and we do not receive the value of £10: besides, the roads and bridges are used by every section of the community.

(5.) THOMAS BELL examined.

122. *The Chairman.*] What are you, Mr. Bell?—Manager of the Union Oil, Soap, and Candle Company, Auckland.

123. How many hands do you employ?—From thirty to thirty-five. The wages range from about £60 per week, and the value of the annual output is £40,000.

124. We presume you wish to make some representations in connection with the tariff as it affects your industry: will you kindly state them?—Seven years ago I was asked to address the Colonial Treasurer on the same point; and what I say to-day is practically the same as I stated then. Linseed-oil is one of the most important items in our industry, because it would affect the farmers as well as manufacturers. It would take about 2,000 tons of linseed to supply the present demand for oil, and we want a duty put upon the imported oil, and a corresponding duty placed upon the imported seed; otherwise the seed would simply be imported from Calcutta, and it would leave the farmers as they are now.

125. What is the value of the linseed-oil?—£21 per ton in London, and it bears an import duty of 6d. a gallon here.

126. What amount of duty do you ask for on the seed?—I would suggest 2s. a gallon on linseed-oil or its substitute, and £3 a ton on the seed.

127. Would not that increase the price of linseed-oil in the colony?—Only for a very short time. It would have the same effect as the duty has had on common soap, as sufficient competition would spring up in the short time to keep the price of the oil down. We would also get a purer oil and better value for the money than what we are getting now.

128. You claim to manufacture the pure product?—Yes. The imported article is not pure, and I could show you an advertisement wherein people profess to make linseed-oil from a substitute, a very large quantity of which is imported.

129. If this duty were imposed, what further amount of labour do you think would be employed?—There would be 2,000 tons of seed required, and the production of that would go to the farmers, involving the employment of more labour.

130. What amount per bushel can you afford to give for the seed?—The English price of the seed is £8 or £9 per ton.

131. And if the duty were imposed, would you give a correspondingly higher price—say, up to £11 a ton?—Yes; but we should expect that competition would keep the price of seed down. There are 100 tons of linseed offering now at £10 a ton for which no market can be found, because we cannot afford to give the £10 a ton. This is New-Zealand-grown seed. The reason we cannot

sell the oil at the same price as the imported article is because we cannot get even £6 a ton for the oil-cake. Farmers would like to buy the oil-cake for their stock, but they will not give the price for it, and a protective duty will enable the local manufacturers to sell the cake at a low price to the farmers, as there would then be more demand for it. There is no demand now at the price we have to charge.

132. Do you mean to say that you would get a sufficient profit out of the oil to enable you to sell the cake cheap?—Yes.

133. Is there any other matter you wish to mention?—No. But I might say that, with regard to soap, I do not propose any alteration in the duty; £5 duty was imposed a few years ago, and the people who were against import duties objected very strongly, because they thought it would increase the price of soap by £5 a ton, but the fact is that there is no country in the world where bar soap is sold as cheap as in New Zealand. The duty has really brought down the price of common soap, and none is now imported. In toilet-soap we cannot get a hold. Our company have been making it a long time, and there is one factory in Nelson, and there are several others, in Auckland, Napier, Dunedin and Wellington. It was suggested seven years ago that the *ad valorem* duty should be abolished and that a duty of 3d. per pound should be imposed on soap if packed in wooden boxes, and 6d. per pound if packed in cardboard boxes.

134. And you propose that now?—Yes; in the highest-priced soaps it would raise the price very little to the consumer, as competition will bring the price down to bed-rock, and some of the higher-class English and American soaps will still come in.

135. If the price is to be kept down by competition, what is the special object of putting on a duty?—It gives us the trade.

136. But if you sell at the price at which the imported soap can be bought, what is to prevent you getting the trade?—Because people are prejudiced against the local article, and prefer to go for the imported article.

137. Do you make as good a toilet-soap as can be imported?—I have it from the importers' lips themselves that our soap is as good as the best English soap. A party came to me some time ago and said, "I'll give you an order for half a ton at a time, provided my terms are agreed to. You must put the soap into boxes made from old packing-cases." I said, "I'll put it into New Zealand white-pine boxes," which I showed him. He gave me an order for half a ton. The soap was packed in white-pine boxes, and was delivered. Afterwards the party who gave me the order came down and said, "You are a fool; you have put the soap in white-pine boxes with kauri ends." The result was the boxes had to be remade, to get rid of the kauri ends, before the purchaser would take delivery.

138. The object being to make the public believe they were buying the imported article?—Yes. A chemist in Auckland told me that our toilet-soap beats the imported in price, and is as good in quality.

139. Supposing the duty mentioned were imposed, would the effect be to raise the price of toilet-soap by 3d. or 6d. a pound?—It would not raise the price; and we would give a written guarantee that we would sell it at the same price. The intention of the duty is to obtain an increased output. With reference to some of the English and German soaps, they are got up in such a style in regard to the coloured labels and wrappers that we cannot do much against them.

140. Is there any other item you wish to mention?—Soap-powder, or extract of soap. We have to make it to compete with Hudson's. We guarantee it equal in quality to Hudson's, and sell it at £13 per ton less than Hudson's price. If you were to put a duty of £50 a ton on the soap-powder and extract of soap we could not get any more for it, because local competition is sufficient to keep the price down.

141. What do you ask?—I want a duty of 1d. a pound on both imported articles. In regard to the duty on soda-ash, I do not want any alteration. Soft-soap is charged a duty of 20 per cent. *ad valorem*. I would like the duty to be 5s. a hundredweight, and in smaller packages than 1cwt., 1d. a pound. It would be as cheap as ever, and would not increase the price to consumers. Antifriction grease is made by us. There are large quantities imported at the present time free of duty. I ask for the same duty as on soft-soap—viz., 5s. a hundredweight, and in smaller packages 1d. per pound. We make good antifriction grease, but we have to import a certain amount of mineral oil to make it with, on which we have to pay 6d. a gallon duty, while the antifriction grease comes in free.

142. *Mr. Hutchison.*] You are a candle-maker also, I believe, Mr. Bell?—Yes.

143. Does the price of candles rule the same all over the colony?—Almost.

144. Is that by any agreement amongst the candle-manufacturers?—Yes.

145. Therefore, when you got the duty put upon imported candles, all the local manufacturers bound themselves to keep up the price: is that so?—No.

146. What arrangement was made?—There was no arrangement made for several years after the present duty was imposed, and candles were at that time sold much under cost, and many thousand pounds were lost. People have even said to me, "You ought to make a fortune, because you have 2d. a pound duty against the imported candles." A large portion of the candles we make here are made from paraffin wax, imported, on which we have to pay 1½d. a pound duty, and, as the duty on imported candles is 2d., we have only ½d. a pound advantage; and if we charge too much for the stearine candle the public simply use the imported wax candles, which are down to bed-rock prices. We are consequently compelled to sell the stearine candle at a low price in order to compete with the imported wax candle.

147. It is rather unfortunate when you ask for protection that you should enter into a league with one another to keep the prices up, instead of depending upon ordinary competition?—If the agreement had not been made we could not possibly have carried on.

148. Are your candles better than the Dunedin ones?—I do not want to say; but it is singular that nearly all the candles used on the Thames Goldfield are made by our company, and no people

are so particular about candles as mining people. We have supplied nearly all the goldfields, but not in the Union Company's name, because the public would not buy them. I had a label given to me for a mining candle similar to an English label, and when I sent it to the printing-office to be printed there was some discrepancy in the printing of the label, and the party that ordered the candles would not take them, because, as he said, the label was not the same as the one he had sent to me. I pointed this out to the printing-office, but in the end the label was not altered, because it was found that the candles took very well with the altered label. I think that is sufficient proof of the quality of our candles.

149. Do you find that the importers fight against you in regard to soaps?—Not now.

150. Have you overcome the prejudice against the locally-made common soap?—Yes. But if the duty was taken off, with the low freights now ruling, probably soaps would be sent out on consignment, and the freights charged would be much less than we have to pay on raw material. Such importation would interfere with our trade, although no better value would be given in regard to the quality of the article. I would not, therefore, like to see the duty taken off common soap. A combination was formed amongst the soap-makers to regulate the discounts, but we could not regulate the prices.

151. Is it not a fact that there is a combination in the soap and candle industry?—There is not.

152. *Mr. McGowan.*] Is it not a fact that the candles used in the Thames mines are used with the authority of the directors?—No. I mean to say that mine-managers are allowed to order the candles best suited to their requirements, whether colonial or imported. The directors do not know where they are obtained. All the candles previously referred to are supplied through Mr. Smith, of the Thames.

153. I presume you know that the directors pay Mr. Smith for the candles?—Of course they do.

154. And if Mr. Smith supplies most of the companies at the Thames, it follows that with him you do the largest trade?—Yes.

154A. Have you no exception to that?—Yes. But I should think very little of the directors of a mine if they made a rule that the manager had to ask them from whom he should buy his candles.

154B. Have you had any extensive connection with gold-mining?—I lost £1,500 at the Thames.

154C. But lots of people have also lost money who have not lost it in actual gold-mining?—I am speaking of gold-mining.

154D. Where did you lose this amount?—I lost it in the Moanatairi and the Waitemata.

154E. How could you lose money in the Moanatairi?—The shares fell.

154F. Then, you lost money in shares, but you did not lose it in gold-mining? Some other fellow got your money.

155. I presume that your company are prepared to compete with soaps of other makes?—I think so.

156. Do you not think that Rimmell's Old Brown Windsor soap would be, if not superior, at least equal to that manufactured by the Auckland company?—I think that our soaps should have the preference if they are equal to Rimmell's.

157. Would you allow the user to have the same right of judgment as the manufacturer?—Yes.

158. Is it not a fact that you offered special terms for wholesale quantities of special soaps?—We have offered special terms in order to run special soaps; but at the same time we have not offered any one firm any special terms that we would not give to any one else. We are making one quality of soap under three or four different brands, but it is the same soap, and we charge the same price for each brand. Our special terms are 10 per cent. trade discount to any one buying 2 tons of soap. We offer—nor have we given any other—terms for special brands of bar or common soap.

159. I think you stated that your soap-powder was successfully competing with Hudson's?—No.

160. Do you make it as good as Hudson's?—Yes.

161. Have you ever had any returned as unsaleable?—No. I had a few boxes returned once because the wrappers were discoloured; but none returned on account of quality.

162. Is your powder as well put up as Hudson's?—Yes.

163. Is it wrapped in tinfoil?—Yes.

164. Have you used the tinfoil wrapping ever since you commenced to make the powder?—Yes.

165. *Mr. Stevens.*] I think you said that, instead of having an advantage of 2d. a pound over the imported candles, you only had an advantage of ½d.? Are your candles made entirely from imported wax?—Some brands are. Sometimes we put in 5, 10, or 15 per cent. of stearine; but not for the purpose of cheapening the price.

166. Then, the average candle is not made of part stearine and part wax?—All the ordinary well-known candles are made of pure stearine, and it is only lately that we have put 5 per cent. of wax in them.

167. Is it on the imported stearine that you pay 2d. a pound?—No. On the imported stearine candles. On the stearine itself we pay 1½d. if it is imported; and if we do not sell our stearine candles at a low price, to compete with the wax candles, people buy the wax candles in preference.

168. If you only put this 5 per cent. of wax into the stearine candle for the purpose of hardening it, how is it that you have not the advantage of the duty, less 5 per cent.?—Because stearine candles have been made and sold here at a much lower price than the same quality could be imported for.

Mr. Bell: In addition to the foregoing, I would respectfully suggest that the duty on mustard should be increased from 2d. (the present duty) to 6d. per pound, including package. And on the seed an import duty of £3 per ton should be levied. The seed can be grown wherever rape- or turnip-seed can be cultivated, to advantage. In my opinion, the revenue would not be affected by the increased duty, as owing to prejudice there would still be a considerable quantity imported. The price would not be increased to the consumer; the colonial competition would probably reduce prices below these now ruling. It will take fourteen thousand pounds' worth of seed to supply the present annual demand, two-thirds of which should be grown and manufactured in the colony.

(6.) EDWARD HOGAN examined.

169. *The Chairman.*] I understand that you are a manufacturer of corn-brooms?—Yes.

170. How long have you been engaged in the manufacture?—About nine months on my own account. I was engaged ten or twelve years in another factory.

171. Do you employ any labour?—There are two besides myself in the firm, and sometimes we employ two or three others.

172. Are there any other factories here?—Yes; Harbutt's.

173. How many hands do they employ?—About five.

174. Is the millet grown here?—No. Harbutt attempted to grow some, but he did not understand the process. It would grow very well here if the farmers had the necessary encouragement. It could be grown as good as the imported, but not so long.

175. Then, in point of fact, you cannot grow what you want here?—It would grow the proper length in time. Mr. Harbutt has had the monopoly of this business for years, but he did not want to grow millet, because, as he said, everybody would be making brooms.

176. What do you ask in regard to this industry?—I ask for an additional duty of 10 per cent. on imported ready-made brooms. They pay 20 per cent. now.

177. Do you want the broom-corn admitted free?—Yes.

178. Do you make your own handles?—The Kauri Timber Company make them.

179. What price do you get for the corn-broom?—From 10d. to 2s. each, wholesale.

180. If this increased duty were imposed, would the local manufacturer take advantage of it to raise the price?—No. There are other factories in Dunedin and Christchurch, and I am sure that the price could not go up any higher. We wish only to make the imported article 10 per cent. dearer.

181. At what price do you sell your brooms now?—Wholesale at the price I have quoted, with a discount.

182. And is that the lowest price that brooms can be imported at?—The merchants now only make 1½d. a dozen on imported brooms.

183. Are many brooms imported from China and Japan?—Yes, in thousands. They are made of rice straw; and Italian brooms also come in very cheaply.

184. Can Italy send them in cheaper than you can make them?—Yes.

185. How much cheaper than you can turn them out?—Two shillings a dozen.

186. What is the price of the Italian brooms?—16s. to 18s. a dozen, and I cannot turn out as good an article under £1.

187. *Mr. Tanner.*] Is this the material of which the Japanese brooms are made [sample of rice straw produced]?—Yes.

188. I presume that the 10 per cent. additional duty is wanted in order to equalise the matter as between the price of the imported broom and that of the locally-made one?—Yes. I would like to see the New Zealand farmer growing the millet here, as we pay for imported broom-corn from America £36 a ton, landed, and from Sydney £24 a ton, landed.

189. How much would grow to the acre?—Two and a half tons.

190. Is there any land in the Auckland District suitable for the cultivation of this material?—It has been grown at Kaipara and on the river-flats.

191. If the material is worth £24 a ton, and you can grow 2½ tons to the acre, how is it the farmers do not jump at the opportunity of growing it?—They have not had the encouragement to grow, because there has only been one factory in New Zealand for years.

192. Assuming that there are two factories here, how many tons would they use in the course of the year, employing ten hands in all?—About 1 ton a week.

193. If all the brooms used in the colony were made here there would be at least 2 tons a week wanted in Auckland alone—that would be 200 tons wanted annually for the whole colony?—Yes.

194. Then, you think it could be all grown in the colony?—Yes. I have 1cwt. of seed which I should be willing to distribute if any one would like to try and grow it.

195. *Mr. Stevens.*] I understand you to ask for a duty of 30 per cent. on imported millet brooms, to enable you to compete in the trade, and at the same time you say that there is no necessity for imposing a duty on the raw material, because the farmers could grow it profitably here. If 30 per cent. protection is required on the manufactured article, why is not some protection required also for the farmer on the raw material to enable him to produce it?—No duty would be required once the farmer commences to grow it.

196. But if you do not give him any advantage the farmer would never be induced to grow it, and the reason he does not grow it now is because there is no duty?—If the farmers grew the material we would take it all from them.

197. Then, if you wish to foster the industry, would it not be reasonable to give the farmer some amount of protection, and which would not make a great deal of difference to the few people who are engaged in the manufacture? Would it not be reasonable to reduce the duty on imported brooms, and place some duty on the raw material? At present the farmer is expected to grow the raw material without any inducement at all.

The Chairman: Except £48 an acre.

Witness: We have to pay as much as £54 a ton for it landed on the wharf here.

198. *Mr. Stevens.*] Do the brooms made from paddy straw interfere with your trade?—No.

199. Do not you think that a large importation of the very cheap brooms would stop the sale of the better-class article?—I do not think so.

200. Do you think that the inferior articles from China and Japan should come in free, and that the superior English and American and Italian brooms should bear a duty of 30 per cent.?—No.

(**7.**) Henry Lipscombe examined.

201. *The Chairman.*] What are you?—A fruit importer. I have been in business here for the past two or three years, but I was connected with the fruit industry in Tasmania for thirty or forty years.

202. What representations do you wish to make?—I think the present tariff of ½d. a pound on imported fruit is rather too high, seeing that the price of fruit is now much lower than what it was when the duty was first put on. I think the duty should be assessed at per case, and not at per pound. I do not agree with any duty at all, but if one is required, then it should be at per case.

203. If the duty were at per case, would not people increase the size of the cases?—No; because all the cases shipped from Australia are of a uniform size.

204. Would not an exporter make his cases to carry 60lb. instead of 40lb., as at present?—I think not. In Australia they use cases and half-cases, and the latter would come in at half-price. Some run from 40lb. to 48lb. a case, and upon fruit which depends upon weight, and upon which you have to pay ½d. a pound duty, a considerable loss sometimes occurs. If you cannot arrange for a rebate with the Customs you have to pick it over, and a constant loss occurs in transit.

205. Supposing the duty is assessed on a case of 40lb. at ½d. a pound—that is, equal now to 1s. 8d.—what duty do you want?—1s. a case. I reckon that the present duty is equal to about 1s. 9d. a case. I have just now got account-sales of twenty-five cases of pears, which have been offered at 2s. a case, and the duty is excessive, as it is equal to 50 per cent. of the cost locally. On the other side apples are worth about 3s. 6d. per case without freight.

206. *Mr. Mackenzie.*] Can you get your supply of apples here?—No. And, unless the Government step in, in a few years' time the apple trade will be nothing at all, on account of the codlin-moth. I do not think that I bought fifty cases here this season; the apples have been so unsatisfactory. The producers do not take the trouble to deal with the pest; and without legislation compelling them to do so they will not do anything in the matter.

207. Do you think that if a higher duty were imposed on imported apples that the local people would do more for their orchards?—I do not think so.

208. Would their orchards be able to supply the demand now if looked after?—Yes. At the present time we have orders from Fr'isco and Honolulu, but it would not pay to ship them, because the apples are not good enough.

209. Could the local producers make a good living out of their apples if they were looked after?—Yes. They can grow the apples, but they will not take the trouble to get rid of the moth.

210. With the exception of the moth, I suppose they can grow here as good a flavoured apple as can be grown in Tasmania?—Yes. But the New Zealand apples will not keep so long.

211. *Mr. Hutchison.*] I understand that the reason you ask for this import fruit duty is because our people will not pay any attention to the fruit industry?—Yes. They will not without legislation; and year after year the matter is getting worse.

212. Do you not think you could get rid of the insect-pest without legislation?—No; because, if the matter is left optional, one man will endeavour to keep his orchard clean and another will not.

213. After all, you are quite agreed that Government interference is really a good thing?—In some cases I certainly agree with it.

(**8.**) Edward H. Faulkner examined.

214. *The Chairman.*] You are an umbrella-manufacturer?—Yes. I have been in business in Auckland for about thirteen years. We have eight persons employed in the factory, and two shops.

215. What do you wish to say in connection with the tariff?—Certain covering materials used in our trade are at present dutiable, and they ought to be admitted free, because they are manufactured wholly as umbrella coverings. I have a list, which I desire to put in, of materials that should be allowed duty-free: Gloria cloth, a mixture of silk and cotton and of silk and wool, any width; levantine, silk and cotton mixtures, all widths; alpacas, with border, all widths; zanella (cotton), with border, all widths; Austrian silk and cotton, no border, 44in.; imitation levantine, all cotton, 44in.; cotton satin, similar to Italian cloth, but pure cotton, with border and with stripes, 20in. to 21in. wide; reversible silk mixtures, silk and cotton, made from 20in. to 44in. wide; shot or reversible all-silk, with border or stripe, 20in. to 36in.; tassels, black and coloured; bands and buttons, and rings for same; sticks, without the springs; runners, notches, caps, ferrules, and tubes, the latter from 1in. to 3½in. long, of brass; collars and top caps, tip cups, ribs and stretchers. Duty to be charged on the under-mentioned goods equal to the made-up article—viz., now 20 per cent., which is sufficient to sustain fair competition: Sticks, with the springs ready fitted, because partly made up; covers of all kinds, cut up into gores or stitched up into covers, ready for putting on the frames; umbrella-boxes of card- or mill-board should be charged 20 per cent., as they can be made here, and are at present. If some of the goods mentioned cannot be admitted free, then I would suggest a duty of not more than 10 per cent. We have hitherto been charged 20 per cent. and 25 per cent. on some, whilst the made-up article comes in at 20 per cent. On some articles we use we are charged an import duty of 25 per cent., while the finished umbrella

comes in at 20 per cent. The drapers import umbrella-covers with frame and handle, all ready to put together, free of duty. This is simply an evasion of the duty. [The witness produced sample parts of an umbrella showing how they are imported by drapers ready to put together.] I have taken advantage of the same plan, because I could not get the material I wanted free, and because the drapers were importing umbrella parts. As a rule, we get all our materials in in the piece and cut them up here.

216. Then, you do not ask for more duty?—No. The present duty is quite sufficient.

217. You want the duty charged on these sticks ready fitted with springs and covering such as you exhibit?—Yes.

218. Do you want the frames to bear duty?—No, they ought to come in free.

219. If these duties were adopted, would it benefit your industry?—I believe it would.

220. Would it enable you to employ more labour?—I think so.

221. Would it tend to increase the price of the made-up article?—I do not think so, because I am selling umbrellas now at much less than the price of the imported article, and at the same price to the draper; and the customer gets the benefit of the 20 per cent. duty. If I did not do that I would have to shut up.

222. I suppose the drapers are able to undersell you?—No, they do not undersell the goods I make, but they undersell the imported goods, by importing the parts ready made, and getting them put together here.

223. Do you mind your name being published?—I prefer not.

FRIDAY, 26TH APRIL, 1895.

(9.) JOHN EARLE examined.

224. *The Chairman.*] What are you?—A tea-merchant. I have been in business here fifteen years.

224A. We shall be very glad to hear what you wish to bring before us?—I have come before the Commission in the interests of the poorer class of people in regard to the duty on tea. I do not know that I have anything to ask for myself, but my occupation takes me amongst the masses of the people, and, from my own knowledge, I think that there is a great deal of uncomplaining distress amongst the poorer classes. It has been, therefore, impressed on my mind, in connection with my own particular occupation—that of a tea-merchant—that if I could submit to the Government any feasible scheme for reducing the cost of tea to the lower classes of the people in particular, without upsetting the revenue, I should be doing nothing less than my duty. I have gone into the matter, and the scheme that I now place before you is the result:—

"*Suggestions for a Revision of the Customs Duty on Tea.—Table showing Comparative Duties.*

"Cocoa—average import value, 1s. per pound, duty 3d., or 25 per cent.; sugar—average import value, 2d. per pound, duty ½d., or 25 per cent.; coffee—average import value, 1s. per pound, duty 3d., or 25 per cent.; tea—average import value, 9d. per pound, duty 6d., or 66⅔d. per cent.

"Duty on tea: In Britain, 4d. per pound; New South Wales, free; Victoria, 1d. per pound; South Australia, 3d. per pound; Tasmania, 20 per cent. *ad valorem;* Queensland, 6d. per pound; New Zealand, 6d. per pound.

"Revenue derived in 1893 from tea passed through the Customhouses of New Zealand for home consumption, 4,083,842lb., at 6d. per pound duty		£102,096 (1s.)
"I propose:—		
"Estimated revenue from home-consumption clearances in 1893, on an *ad valorem* duty of 50 per cent.: 4,083,842lb., at an average import value of 9d. per pound, say, £153,144; 10 per cent. added, £15,314 = £168,458. At 50 per cent.	£84,229	
"Proposed license-fee from tea-merchants, grocers, and storekeepers: £3,000, at £5	15,000	
		99,229
"Deficiency		£2,867

"The benefits from the new scheme would be: (1.) The poorer classes of the people would get their tea about 3d. per pound cheaper. (2.) The license-fee would cause tea to be handled in a manner more conducive to the public health. (3.) The Government would have the use of £15,000 license-fees from the beginning of each year."

In connection with this matter I would draw attention to the fact that of the articles consumed at the breakfast-table—namely, cocoa, sugar, coffee, and tea—the duty on tea is more than twice as high in New Zealand as the duties on the other three articles, and, with the exception of Queensland, the tea duty is higher here than in any other British colony. I had to take the foregoing figures from the directory, and they may not be correct, but they are not very far out. It seems to me a pity that the poor should have to pay as much on their cheap tea as the rich pay on their fancy teas, and my main object is to obtain a reduction in the cost of tea on behalf of the poorer classes. An *ad valorem* tariff is the only fair way of assessing duty, but under the present system tea which costs 9d. per pound pays a duty of 6d., while tea imported at 2s. per pound pays the same amount.

225. I suppose that you conclude that if the duty were reduced to 3d. per pound on the lower-class tea the people would get the benefit of the reduction?—The lower classes would get the direct benefit of the reduction.

226. And tea sold at present at 1s. 6d. per pound would be sold at 1s. 3d.?—Yes.

227. If that were the case, do you think the consumption would be increased?—I think it is generally acknowledged that after the tea duty in Britain was reduced from 6d. to 4d. a great increase in the consumption took place. Gladstone, in a speech that he made subsequent to that reduction, pointed out the immense increase that had taken place in the consumption, and he went on to prophesy that the time would come when the drinking of tea as a beverage would be greater than that of whiskey itself, which was a strong statement to make in Scotland.

228. It would be fair to assume, I suppose, that if there were no appreciable increase in the consumption of tea there would be no deficiency?—No, probably it would be the other way. I also conclude that the license-fees would reduce the deficiency by that amount, as the fees would be paid in a lump sum.

229. *Mr. Hutchison.*] Do I understand, Mr. Earle, that you draw a distinction between the finer teas and the poorer ones?

The Chairman: No. The witness states that the present duty presses more heavily on the poor than on the rich, and suggests that the duty should be an *ad valorem* one.

Mr. Earle: I feel confident that the poorer classes will get the benefit at once, as there is sufficient competition in the tea line to guarantee the reduction to the masses of the people.

230. *Mr. Hutchison.*] Simply from the force of competition, you expect that to be the case?—We must not lose faith in the honesty of human nature. The people would also get the benefit of the reduced duty that the merchants would have to pay on tea. A duty on eightpenny tea would be only 4d., and the merchant could afford to take less for that class of tea, because he has to pay a less duty. Consequently the poorer classes would receive a double benefit.

231. How do you arrive at the computation of 3,000 tea-merchants, grocers, and storekeepers?—From the directories. But that number does not include all the dairymen, fruiterers, and fishmongers, many of whom sell tea. I feel quite confident that the 3,000 can be accounted for. A number of people sell tea when it is not to the interest of the public health that they should be allowed to do so. I have obtained tea from some shops, and it has been flavoured with onions, bacon, and cheese.

Mr. Hutchison: But they would have to pay the £5 license.

Mr. McGowan: I confess, to a very great extent, that I agree with the proposal.

232. *Mr. Stevens.*—Would this proposed *ad valorem* duty not have the effect of inducing the importation of inferior teas rather than of the better class teas?—I do not see how it could. The *ad valorem* duty has not that effect in the case of woollens and other goods, unless there is a natural decline in the price of things.

233. Would not an *ad valorem* duty enable vendors of the purest kind of tea to import at a greater profit than under the present duty of 6d. per pound?—Tnat is not correct, and I do not think that the proposed duty would act in that way, or that it would affect the quality of the tea imported.

234. *The Chairman.*] Is it not the fact that there is more competition in the tea trade in this colony than in any other trade?—Yes; but a man's practical knowledge of tea will always enable him to make a living out of it.

235. Is there not sufficient competition to prevent the vendor getting the extra 3d. per pound that will be saved on the low-class teas by the adoption of the *ad valorem* system?—Yes.

236. *Mr. Tanner.*] Would not a license-fee tend to reduce the present number of tea-sellers?—I put this provision in the scheme in order to make it a feasible one, and I reckoned the number of sellers at from 2,500 to 3,000. I thought that if I had left a deficiency in the estimated receipts the Commission would not have considered the plan feasible. I put the license-fee in to balance it.

Mr. Glasgow: The application of the *ad valorem* system to tea is something quite new.

Mr. Earle: They have it in Tasmania.

Mr. Glasgow: But at the low rate of 20 per cent. A heavy rate of 50 per cent. might lead to fraudulent invoices.

Mr. Earle: Is it not the fact that the bulk of goods admitted into New Zealand are assessed at an *ad valorem* rate of duty?

Mr. Glasgow: Yes. But not so high as 50 per cent. Here the highest rate of duty we have is 25 per cent., and that is quite sufficient to afford cause for doubtful invoices, and 50 per cent. would increase the temptation very much.

Mr. Earle: The importers of tea in the different centres of New Zealand are comparatively so few, and are so well known, that I do not think they would risk entering any fictitious values; and, besides, the Customs could have standard valuers in the different ports to whom they could refer. In every port there are half a dozen grocers quite competent to give an opinion as to the value of tea.

237. *Mr. Glasgow.*] Where?—Here in Auckland.

238. But we should want to ascertain the current values in the countries of export. Is tea of such a uniform value in the countries of export that an expert here could give a good opinion?—He could make certain of it to ½d. per pound.

239. *The Chairman.*] Do you object to your name appearing in the papers?—No.

(10.) Deputation from the United Friendly Societies' Conference (Alfred Kidd, Vice-President; J. S. Carr, Secretary; and John McLeod).

240. *The Chairman.*] What matter do you appear on?

Mr. Kidd: We are delegates from the Friendly Societies' Conference, and represent the whole of the friendly societies in Auckland. Friendly societies are exempt from stamp duty in certain respects, but not on cheques, and we thought it a fair matter to bring before the Commission. We ask that our cheques should be exempt from stamp duty.

Mr. McGowan: I submit that this is not a tariff question.

Mr. Kidd: It is a question of revenue, and we thought we were entitled to bring it before the Commission. We also wish to refer to the duty at present charged on medals and jewels imported for presentation to members of our societies. The Friendly Societies Act states that Customs duties shall not be chargeable on emblems, regalia, and other articles imported for the use of friendly societies; but we have to pay duty on our medals, which we consider part of the regalia. It is clearly the intention of the Act that such articles should be free of duty, but we have never been able to take advantage of the clause in regard to medals and jewels.

Mr. Glasgow: I do not think that medals are embraced in the term "emblem" or "regalia."

Mr. Kidd: If we were to give a jewel to a member instead of a seal, the former would be considered regalia. It is called a medal instead of a jewel, the latter being a more expressive title.

Mr. Stevens: It appears to me that a word has been omitted from the Act, and that it should read "medal, jewel, or decoration."

241. *Mr. McGowan.*] Where does the money come from that pays for these jewels, Mr. Kidd?—From the management fund of the society that presents them.

242. What is the management fund?—There are two funds, the sick and the management, and these medals are paid for out of the latter. We are obliged to import them from Home from the centres of the societies, otherwise we could get them locally.

243. *Mr. Tanner.*] Can you suggest a term which would meet the case of the medals you want admitted free, and limit the free admission accordingly. Otherwise all medals would have to be placed on the free-list?—I should think that the word "emblem" would do.

(11.) Edmund Dutton examined.

244. *The Chairman.*] How long have you been in business?—I am a member of the firm of Dutton Brothers, cork-cutters, and have been in business twenty years.

245. In your industry do you employ much labour?—Not at present; we have three men; we did have more, but things got very slack and some had to go.

246. What do you ask?—Imported corks are now charged 15 per cent. duty, while most other local industries are protected to the extent of 20 to 25 per cent. We ask to be placed on the same footing, and for a duty of 20 or 25 per cent. on the imported corks. Bungs come in free of duty; they are really corks, and the term bungs is only applied to them as a trade name. Why should they come in free of duty?

Mr. Tanner: Because they are used by pickle-manufacturers.

Witness: They are also used by brewers. We also manufacture the bungs, and the imported ones should be made dutiable. We import the raw material.

248. *The Chairman.*] How does your price compare with the price of the imported article?—If you get a good quality the difference in the cost is not more than 5 per cent. as against ours. We sell these corks [samples produced] at 3s. per gross.

249. You say that, quality for quality, you produce them at about the same price?—Yes, if you class ours along with the ordinary bottle-corks, and put an equivalent duty on those imported.

250. If the duty were raised your price would not be increased?—We would not increase our price—actually it would be cheaper.

251. Does the sheet cork come in free?—Yes.

252. Has there not been an attempt made to grow the cork-tree in the colony?—Yes, we have some sheet cork in the factory grown from a tree here.

253. How long is it before a cork-tree is fit to strip?—People want to make money so quickly that they have not the patience to wait for twenty years, which is the time it takes to develop the cork. There is one drawback to the growth of them: if trees are planted near Auckland, and the land is likely to increase in value, the unfortunate trees are generally cut down to make room for houses and farms; they want to be planted in ground of little value.

254. On what class of ground does the cork-tree grow?—On what we would call bad land.

255. Would it pay the Government to set aside some small areas here and there and plant the tree?—There is a difficulty in all these things; the forest might have to be cut down, and perhaps the experiment would not pay.

256. Will the tree grow south of Auckland?—Not so well as in the north.

257. What species does it belong to?—A species of oak.

258. *Mr. Tanner.*] Should the word "bung" include pickle-stoppers?—Some people call the latter "pickle-bungs," but the strict term should be "pickle-shives." The words "corks cut or manufactured" should be the reading in the tariff.

259. *Mr. McGowan.*] Would the cork-tree grow well on kauri land?—Yes, it is suitable land for it.

260. *Mr. Stevens.*] Has the cork-tree been grown further south than Auckland?—I cannot speak with certainty; there is one growing in Auckland, at Mr. Geddes's.

The Chairman: There is one growing in Christchurch, too.

261. *Mr. Stevens.*] I presume that the tree is not necessarily a tropical one?—No, but Spain is its native place; the male tree has two barks, and you simply split the bark down, wedging as you go, and remove it.

262. *Mr. Tanner.*] Is it not stripped at intervals of five years?—Yes; the seed has to be taken very great care of when taken from the tree, and if allowed to dry they will not grow, as the germinating power has gone out of it. I believe the Spanish Government are very conservative about the seed, and will not allow it to be taken out of the country.

(**12.**) Deputation from the Colonial Ammunition Company (Captain John Whitney, Arthur C. Whitney, and G. M. Pole).

263. *The Chairman.*] You are a deputation representing the Colonial Ammunition Company (Limited)?

Captain Whitney: Yes; I am the managing director of the company.

264. *The Chairman.*] What amount of employment does your company give, Captain Whitney?—At the present time we have thirty female and ten male hands.

265. What are the annual wages paid when in full working-order?—We are practically doing nothing now, and all the machines are idle.

266. If you were working full time, would you expend in labour £2,000 or £3,000 a year?—Yes, and employ about 140 hands.

267. I suppose it is practically juvenile labour that is employed?—Women and men.

268. What do you wish to represent?—I have prepared a statement, which I will read:—

"*Memorandum for the Tariff Commission.*

"1. The Colonial Ammunition Company (Limited) cannot compete with foreign manufacturers of sporting ammunition without protection while such low prices as at present prevail rule the market. This is the only industry of its kind south of the equator, and it is found impossible to import materials to load sporting cases manufactured here and sell as cheaply as importers. The company has to pay duty on articles which cannot be manufactured in the colony—namely, 6d. per pound on powder, 10s. per hundredweight on shot, and 1s. per thousand on caps—while importers pay 15 per cent. *ad valorem* on loaded cases containing the above-mentioned materials.

"2. The present duty on unloaded cases is 15 per cent. *ad valorem.*

"3. The present duty on loaded cartridges is also 15 per cent. *ad valorem.*

"4. The duty on shot is 10s. per hundredweight; the duty on powder is 6d. per pound; the duty on caps is 1s. per thousand.

"5. Duty being as above, should 100 brown cases (Eley's) be imported at 3·2d. per hundred, less 33⅓ per cent. discount (we are informed that Eley's are allowing 50 per cent. discount now) the duty would amount to 3·6d. Should these cases, however, be loaded with the charge mentioned in Eley's price-list (the materials for loading having been imported into New Zealand), the amounts would be as follows for duty: On 1⅕lb. powder, at 6d. per pound, 7·2d.; on 7lb. shot, at 10s. per hundredweight, 7·5d.; on 100 caps, at 1s. per thousand, 1·2d.: total, 15·9d. Should these 100 brown cases of Eley's make have been loaded in England, according to the price-list, they would be valued at 9s., less 33⅓ per cent. discount (if not 50 per cent.), and, at 15 per cent. *ad valorem*, the duty would amount to exactly 10·8d. It is thus manifestly unfair for the company to have to pay in duty 5·1d. more than English manufacturers pay for 100 cartridges; for the company loads with the above-mentioned charge.

"6. It is not the object of the company to have the duty removed from powder and shot, for these reasons: (*a.*) Should the duty remain as it is at present it affords a protection to the company should the duty on cartridges and cases be increased. (*b.*) There would be an absolute increase of revenue should the same number of cartridges which are now used per annum be manufactured and loaded in the colony as shown above—that is, revenue accruing from powder and shot to load 100 cartridges would be 14·7d., while, if imported loaded, it would be 10·8d. Should the estimated quantity of sporting ammunition at present imported—namely, 1,500,000 to 2,000,000 of rounds—be manufactured and loaded by the Colonial Ammunition Company, the net profit to the revenue would amount to from £240 to £325 per annum, while if foreign manufacturers continue to compete the gain of an increased tariff would be very considerable. This would not be the only consideration for the Government. At the present time cartridges are being imported from America, England, and Germany at the lowest cutting prices—in fact, under cost price. The explanation of this, we think, is as follows: The shooting, practically speaking, ends in Europe and America in January—three months before our New Zealand season opens. Foreign manufacturers are bound to have a large stock of loaded ammunition on hand at the end of their season, and they find a ready market in the colonies to work off their cheap and deteriorating stock, instead of keeping it for another year, when, in all probability, it would be worthless. This doubtless causes a lot of cartridges to be imported into New Zealand at an abnormally low price, which we consider in most cases does not represent their true value. Thus the revenue loses, though the public do not appear to derive any benefit from the importation of cheap ammunition.

"7. We therefore beg to request that your Commission will recommend the Government to adjust the tariff so as not only to give protection to a valuable industry, but actually to do so with advantage to the revenue. This, we submit, could be effected by changing the duty from 15 per cent. *ad valorem* to a duty per hundred—say, 3s. 6d. per hundred on loaded sporting cartridges from 10 to 20 bore, and 1s. 6d. per hundred on empty cartridge-cases from 10 to 20 bore or gauge. Should this be done it would give a great impetus to the trade and also increase the revenue, whether the cartridges are imported or this company has to import and pay duty on the powder and shot necessary for loading.

"8. All the machines, which now stand idle for three-quarters of the year, could be kept working, giving employment to an indefinite number of hands, as the demand in New Zealand should amount at present to from 1,500,000 to 2,000,000 rounds per annum, and in the future to more than we can estimate.

"9. In the event of protection being granted, the company does not intend to increase their present prices, of which they produce their price-list, as issued to the trade.

"10. The greatest opposition and cutting in our trade is caused by American competition. A cartridge is being landed in New Zealand at 6s. per hundred loaded. On these figures we base our request for 3s. 6d. per hundred to be imposed as a duty on loaded cartridges from 10 to 20 bore or gauge. The lowest price at which we can sell, as per our price-lists, is 9s. 8d. per hundred, and

the price at which American cartridges are landed duty-free in New Zealand is 6s. 10·8d. per hundred. Our price gives us the very least margin of profit, and, taking the difference between 9s. 8d. and 6s. 10·8d., it will be seen that before we can start on an equal footing with the American firms a duty of about 3s. per hundred must be levied on the imported cartridges of from 10 to 20 bore or gauge.

"11. We also respectfully request that the duty on percussion caps be taken off, for the reason that foreign cases are capped when imported to the colony, and we should be at a disadvantage of 1s. per thousand cases before we could begin to compete with the foreign trade.

"12. Speaking of foreign competition, we may mention that its effects are so keenly felt in France even that, according to the following Press Association telegram, published on the 18th April, 1895, the French Press urge European Powers to unite in establishing an economic and industrial defence against the United States cheap goods: 'Paris, 16th April. A section of the French Press urges the European Powers to unite for the purpose of establishing an economical and industrial defence against the United States.'

"13. The directors of the Colonial Ammunition Company wish to stop the manufacture of sporting ammunition unless protection is given, in accordance with promises made more than three years ago.

"The Colonial Ammunition Company promises not to increase the price of sporting cartridges above the prices stated in the list attached herewith:—

"*Price-list (to the Trade only), f.o.b. at Auckland.*—C.F., 12 and 16 bore: Brown cases, per hundred, 3s.; blue cases, per hundred, 3s. 9d.; green cases, per hundred, 4s. 1d.; orange, for smokeless, per hundred, 5s. Cartridges, loaded with the best materials: Brown, per hundred, 9s. 8d.; blue, per hundred, 10s. 1d.; green, per hundred, 11s.; orange, smokeless, 12s. 6d."

Captain Whitney: I also produce a price-list of our cartridges. These are the prices at which we sell here, and they are identical with Eley's London prices; and, if the colony grants us the protection we ask, we do not intend that cartridges shall be raised in price to the public.

269. *The Chairman.*] You claim that you can now sell at the same price as the London firm of Eley and Co.?—Yes.

269A. You say, further, that if this duty were imposed, so as to shut out Eley and Co. and other firms, that you would not increase your price?—We would not increase the price.

270. *Mr. Stevens.*] Supposing your application were recommended by the Commission, would it not be as well for you to ask for a duty of 3s. 6d. per hundred on all imported cartridges without any exception?—No; some cartridges only cost 3s. 6d. per hundred.

271. *The Chairman.*] What about the other cartridges: should they stand at 15 per cent.?

271A. *Mr. Stevens.*] The difficulty is that cartridges of other gauges will be brought in duty-free?

Captain Whitney: No; at 15 per cent. *ad valorem.*

272. *Mr. Stevens.*] Will not this plan offer facilities to people who are importing to evade the Customs?—No. The way they evade the Customs duty now is by invoicing the best quality of cartridge for 5s. 6d., and we want to fix an average price so that the duty cannot be evaded. I refer you to Mr. Rose, of the Customs, who can give you valuable information. A line of 40,000 12-bore cartridges were invoiced in at 5s. 6d. per hundred, and they all came in under the one tariff; but one class of those cartridges, loaded with smokeless powder, cost 15s. per hundred, and they sold them for 18s. per hundred. I will read the prices: "10 gauge—green, £1 1s.; brown, 19s., per hundred; 12, 14, 16, 20, 24, and 28 gauge—green, 18s.; blue, 17s.; brown, 16s., per hundred; 410 gauge—green, 12s. per hundred: gastight cases, loaded with SS smokeless powder, 18s. per hundred; gastight cases, loaded with Amberite smokeless powder, 18s. 6d. per hundred; brown cases, loaded with Eley's wire cartridges, £1 7s. 6d. per hundred; brown cases, loaded with concentrators, 17s. per hundred; Kynoch's perfect brass cases, loaded, £1 per hundred. All the above cartridges are carefully loaded on the premises under careful supervision, nothing but the best material being used, or filled to order with any charge or first-class brand of powder. The 'New Club' cartridge, manufactured by the Union Metallic Company; a good reliable cartridge; 12 gauge, 12s. per hundred (imported at 5s. 6d. per hundred); Colonial Ammunition Company's loaded cartridge, 12 gauge, brown, 12s. per hundred." How can I compete in the face of those prices?

273. With the chance, also, of their importing the ammunition which is worth £1 per hundred, and of only paying a duty on 5s.?—Yes. I would also point out that cartridges for small revolvers and military cartridges would come under the 20 bore; and I think it is only fair that any cartridges imported as military cartridges should also pay duty.

Mr. A. C. Whitney: Americans when they come over here are very much surprised to find that they can buy American goods in the shops in Auckland under the prices at which same goods could be procured in America. They find they can buy American goods here at a less price than in America.

274. *Mr. Mackenzie.*] Does not that show that in protected countries the price of goods is raised to people of that country?—No.

275. You say that American protected goods are dearer to Americans than they are to us here?—Where they manufacture for themselves, the Americans cannot buy at the same price that they can buy here.

276. That is analagous to our binder-twine experience. In Australia you can buy binder-twine made in New Zealand cheaper than you can buy the same twine here.

277. *Mr. Tanner.*] Do you import shot?

Captain Whitney: We buy the greater part of our shot from Nelson; but I believe that until we started nobody bought from the Nelson people.

278. *Mr. Tanner.*] Are you the largest customer of Houlker, Nelson?—I should say that we take double the quantity of anybody else.

Mr. A. C. Whitney: One-third of what we use is Houlker's, the rest is imported.

279. *Mr. Tanner.*] Do you find Houlker's shot satisfactory?

Mr. A. C. Whitney: Yes, very good.

Captain Whitney: It is fairly good. If I were shooting in a matter of life and death, I should say it would give you one point in a hundred.

280. *Mr. Tanner.*] Which means that the Nelson shot is not perfectly accurate?—I think it means that they do not take quite so much pains in the sifting.

Captain Whitney: If orders are given to us for cartridges, and it is specified that Newcastle chilled shot is to be used, we must supply our customers with what they want; but if no order is given to the contrary we use the colonial-made shot.

281. *Mr. Mackenzie.*] Are there no powder-mills in New Zealand now?

Captain Whitney: Not for sporting purposes. Whitmore and others came to me and said, "You have taken up cartridge-making; would you make us powder?" I said, "Certainly; but you must find me the money, as it will not pay." A powder plant costs £75,000; and that plant in one month's full work would turn out sufficient powder for the whole of the Australian Colonies.

Mr. Mackenzie: But the powder-mill at Owake paid all right.

Captain Whitney: The reason I commenced operations here was as follows: During the Russian war-scare the stock of ammunition in the colony had run down to less than 100,000 rounds, and there were supposed to be six Russian war-vessels outside. I was invited to make cartridges by the Government, and I laid out an immense amount of private means in order to try and supply the want. I and my sons succeeded within nine months in supplying 600,000 cartridges when the Government could not get a round from anywhere else. I had to go into every hole and corner in order to buy the caps, and eventually I bought all that could be got from Sydney and Victoria. With regard to the powder, the first people I wrote to were your friends. I asked them to send me a sample of their powder, and to let me know in what time they could supply an order. After waiting two months they sent me a half-pound canister, and that was red with rust, the powder being a little bit better than blasting-powder. I wrote back, "Can you do nothing better than that?" and there was an end to the matter.

Mr. Mackenzie: They turn out powder good enough for rabbit-shooting and that sort of thing.

282. *Mr. Tanner.*] Have you not laid this matter time after time before Parliament, Captain Whitney?—Yes; and I have been promised assistance, not once, but again and again. The same excuse has, however, been made, that "this session the Government cannot touch it," and so on. Mr. Ballance, when he was dying, told Parliament himself that he had made the promise to give us a duty, but I have never had it, and when the tariff was revised every other industry was protected excepting the one that the Government had promised.

(13.) James Thomas Hendry and Robert Plummer examined.

283. *The Chairman.*] What matter do you appear on?

Mr. Hendry: We are manufacturers of washing-powder [sample produced], but to enable us to compete with Hudson's imported powder, we ask for an increase in the present duty of 10 per cent., making the duty 30 per cent. The value of a hundredweight of Hudson's powder, containing 448 packages, is £2 2s.; the value of a hundredweight of our powder, containing 597 packages, is £2 3s. 7d. These are the wholesale prices in the colony, duty-paid.

284. Do you claim that your powder is equal in quality to Hudson's?—Yes; we have to pay a duty of 2s. per hundredweight on the washing-soda, and an extra duty of 7½ per cent. would put us on an equal footing with Hudson's. Fifteen years ago Hudson sent out a superior article to what he is sending out now.

285. Do you use soda in the manufacture of this article?—Yes.

286. What proportion of soda is there in it?—A little more than one-half is soda.

287. Is not soda manufactured in the colony?—Yes; but it is not so good as the imported.

288. We have evidence of a contrary nature. At what price is the powder sold to the consumer?—Hudson's is sold at 1½d. per packet, and ours has to be sold at the same price.

289. If the duty were increased by 10 per cent., would not the price be raised to 2d. per packet?—No. At one time our powder was sold for 3d., then it came down to 2d., and then to 1½d., through the competition with Hudson's.

290. Supposing that an additional 10 per cent. were placed on Hudson's, would you increase your price by 10 per cent.?—No.

291. *Mr. Hutchison.*] The soda manufactured in the colony is not so good as the imported, you say: is that so?

Mr. Plummer: Not for our purpose.

292. But your powder is the best?—It is better than the other.

293. Do you not think that if the other man were here he would say the reverse?—I do not think that he could claim that his could do the work of ours.

294. Is yours a secret manufacture?—Yes; it is guaranteed not to injure the clothes, and to do four times the work.

295. Have you any proof of that?—[Witness put in testimonials from W. Wilkinson, Devonport, and from W. J. Dalton, South Pacific Trading Company, Rarotonga.]

296. Has there been any chemical or other test by some authority on the subject?—We have not had it analysed.

Mr. Hendry: It has been analysed by a man who has been trying to pirate it. He has started a powder, and is trying to work us out.

297. Would that man be a traveller of Hudson's?—Several laundries have tested our powder, and this man made a statement that, if any one liked to take Hudson's against this, he would put n £100 to £10.

298. It seems to me, then, that you do not want any increase of duty in that case?—We want the extra duty simply because Hudson has got such a hold here that it is very hard for us to compete, and you cannot do so unless you have capital.

299. *Mr McGowan.*] I presume that this package of yours is made to compete with Hudson's ¼lb. package?—Yes.

300. You say that your article is double as good as Hudson's in regard to quality?—Yes.

301. If it is twice as good, and only 3oz., as compared to Hudson's, which is 4oz., where is the necessity for any extra duty?—We are a little dearer, and cannot cut our price down any lower.

302. Do you not think that the user will find out in the long run the best article?—All people say that ours is the best article, but they will not give more than 1½d. per packet, which is the price of Hudson's.

303. Have not you ever made your powder less than Hudson's in order to bring it in at the 1½d.?—Yes.

304. That being the case, as yours is double the strength, why should you endeavour to prevent Hudson's coming in?—We only want to be placed on the same footing as Hudson.

305. You want a special duty, in order to encourage this industry of yours?—Yes.

306. *Mr. Stevens.*] How much do you turn out in a year?—With better machinery we could turn out any quantity.

307. Your request is for an increased duty for the purpose of enabling you to turn out a larger quantity than you are turning out at present?—For getting larger sales, without increasing the price. We would employ more labour.

308. Is there any other washing-powder besides Hudson's imported into the colony?—There might be others, but the quantity is very trivial as compared with Hudson's.

309. *The Chairman.*] In answer to a question put by me you stated that it was not your intention to increase the price of your manufacture, and, in answer to a question put by Mr. McGowan, you stated that you want the increased duty to enable you to get the same price as Hudson is getting: are not the two statements inconsistent?—There is no intention of raising the price, but if we could obtain the same amount as Hudson obtains for an adulterated article it would suit us. We would then make some profit.

310. How does the duty on Hudson's increase your personal profit?—The grocer says he loses 1s. 6d. if he takes ours as against Hudson's. The latter's wholesale price is 1s. 7d. per hundredweight cheaper than ours.

(14.) Austin Walsh, of Austin Walsh and Co., examined.

311. *The Chairman.*] What are you?—A tobacco-manufacturer.

312. How long have you been in business?—Since 1884 in New Zealand. We took over the business of the Auckland Tobacco Company in 1890, which went into liquidation.

313. Are you still carrying on the manufacture of tobacco and cigars?—We were up to October last.

314. Why did you cease?—In April, 1894, I sent the following letter to the Commissioner of Customs, a copy of which I desire to hand in. This gives full particulars:—

"Sir,— "30th April, 1894.

"I have the honour to request you to kindly consider the position that the tobacco industry, of which we are carrying on the manufacture in Auckland, now stands in since the additional duty of 6d. per pound on the raw imported tobacco was imposed, on the 1st January, 1894, and to request that the extra impost of 6d. per pound be remitted, under the circumstances.

"'The Tobacco Act Amendment Act, 1891,' allowed the importation of raw tobacco for manufacturing purposes at 1s. 6d. per pound—a reduction of 6d. per pound on the then existing import duty of 2s. per pound—the excise duty of 1s. additional remaining as hitherto on tobaccos and of 1s. 6d. on cigars, snuff, and cigarettes. The reduction was from the 1st January, 1892, to the 31st December, 1893. The reduction was granted after considerable consideration, with a view of assisting the struggling industry, and putting it on such a firm basis, if possible, as obtains in the Australian Colonies, where great encouragement has always been afforded by the respective Governments in order to obtain this result.

"In 1891 I suggested that the reduction should be allowed to extend for five years, the same period that the excise duties were extended to at my request. I was, however, not successful in obtaining the extension for the reduction in import duty. One chief reason then adduced was that the reduction of the 6d. per pound might result in considerable loss to the Customs revenue. The sum then estimated as a probable loss was £1,500 per annum. From the prospects of the industry my estimate was £1,000 to £1,200. The result has been that my estimates proved fairly correct, as for the two years the reduction continued the Customs statistics show the loss as being under £2,500 for that term.

"As our expenses for labour in conducting the business during 1892 and 1893 often exceeded £70 per week, the concession allowed to the industry was trebly expended in wages. Another reason advanced for not continuing the reduction on the imported leaf after 1893 was the reasonable one that the Government were not prepared to consent to this, on account of the impending general election in that year, and their reluctance to commit the new Parliament to the reduction should there be any change in the Government as then existing in 1891.

"The reasons I then advanced for the necessity of the reduction being granted are still respectfully urged for your consideration, the short period of two years then provided for not having been sufficient to put the industry on a satisfactory footing, my anticipations that the period was too short being unfortunately verified.

"It will, of necessity, take some years yet ere the industry assumes anything like the proportions now obtaining in Australia, where manufacturing operations have been carried on for fifty or sixty

years. The local-manufactured tobacco is now, however, finding considerably more favour with the trade and consumers, and a certainty of employment for our employés is assured, with the probability of more being required should the requested reduction be granted, thus allowing the business to be carried on.

"Failing this being granted, we shall reluctantly, and of necessity, be compelled to close the factory, at great personal loss in the liquidation of the extensive plant and machinery, which would naturally realise little or nothing, owing to its inadaptability for other purposes. The carrying-on of the industry with the additional duty is being done at considerable personal loss, trusting that when circumstances were submitted to you for full consideration the additional duty of 6d. per pound would be remitted. "I have, &c.,

"The Commissioner of Customs, Wellington." "Austin Walsh.

315. You ask really that the duty of 6d. per pound upon the unmanufactured tobacco imported into the colony should be removed?—The duty we pay now is 2s. per pound on the imported raw leaf, and we ask that that should be reduced to 1s. 6d. as formerly, or, if the Customs prefer, that the excise on the tobacco manufactured here should be reduced by 6d.

316. How long a time do you ask that this arrangement should extend over?—For a period of five years. We want the duty to revert to what it was before it was raised. That concession was made to encourage the growth of colonial leaf, but I cannot compel the farmers to grow it, and the experiment has not succeeded. This heavy excise duty deters farmers from growing the leaf, as tobacco is an industry which must be developed by manufacture, and is not like wool and cereals, which are left and sold in an unmanufactured state. Then there is the revenue aspect to be borne in mind. The Customs revenue largely turns on the quantity of tobacco imported, and if the whole of the smoking-tobaccos were manufactured in the colony, and if there were no excise, this revenue would be lost. But it would have to be obtained from somewhere. I consider that tobacco is a luxury, and that the public can afford to bear the duty. No tobacco can be grown here which will suit the palate of every smoker. We can only produce here a tobacco suitable for a heavy plug, which would be merely applied to the poor man's smoke, and not to the finer aromatic tobaccos.

317. *Mr. Hutchison.*] Have you tried to get the farmers to grow tobacco?—I have had it grown extensively in the colony, and have received over 12,000lb. in one year. In 1888 we received 13,294lb.; in 1889, 11,758lb.; in 1890, 12,988lb.; in 1891, only 2,212lb.; in 1892, only 1,404lb.; in 1893, only 343lb.; and in 1894, only 3,182lb.

318. Why did you discontinue?—Because the Government put restrictions upon me.

319. You refer to the extra import duty?—Yes.

320. I presume that you would be able to give the farmer a profitable price for his leaf?—We have done so hitherto, and I do not think that there has been any complaint from any of the farmers as to the price we have paid them.

321. How did the industry come to cease?—In 1888, directly after an Act had passed granting an extension of the then existing concessions, the Government passed another Act to the effect that, in the event of any alteration being made in the excise, no compensation should be paid to the grower, manufacturer, or dealer. So that the Government might suddenly determine the whole business, and heavy loss consequently result to any grower of tobacco. We are now working under a permissive Act, and the factory can be closed at any moment, and while this power is held over the community I cannot recommend any farmer to go in for growing tobacco.

322. Did I understand you to say that tobacco can be kept twelve months?—I have some here which I have kept five years.

323. You think that this excise duty is really a bar to the farmer growing tobacco?—I am certain of it, from my own personal experience.

324. What price did you pay the farmer for the tobacco?—From 9d. to 1s. per pound, and 6d. for the medium and very low quality. If I could not pay 6d. it was not worth taking into the factory.

325. What profit would that give the farmer?—The average yield has been from 1,000lb. to 1,200lb. per acre, or a value of from £35 to £45 per acre.

326. Did not that pay the farmer pretty well?—It pays the farmer, but he has, of necessity, to pay a little personal attention to the crop.

327. Have you any idea of the cost of the production per acre to the farmer?—I cannot say. I would like to put in the following paragraph from the *Herald* of the 23rd April, 1895, which indicates that the excise duty does keep the price down to the farmer: "Tobacco-growers in the Albury district complain greatly about the effect of the excise duty. The crop is now passing into the hands of buyers at an average price not exceeding 3d. per pound, whilst the leaf on the Victorian side of the river realises 7d."

328. Could a farmer produce 3,000lb. of tobacco per acre?—No; that is too much.

329. Would other parts of the colony suit tobacco-culture better than Auckland?—I have purchased tobacco grown in the following districts: Napier, Gisborne, Nelson, Greytown, Carterton, Wanganui, Queenstown, Pahi, Ohaupo, Te Awamutu, Opotiki, Aponga, Whangarei, besides locally-produced tobaccos.

330. Do you not think that the land about Wanganui would be a better country for the growth of tobacco than the Auckland Province?—My practical experience has been that it is not. Probably the growers may have had something to do with it. Here we are nearer the spot, and I can personally superintend the culture.

331. *Mr. McGowan.*] Where have you got the best leaf from?—From the Waikato and Poverty Bay.

332. What is the length of time that elapses between the preparation of the land for the crop and, say, the time that the farmer gets his return for the cured leaf?—He gets his land ready in July, and his crop into the factory in the following May or April.

333. If he cures his crop well, I presume that he can count upon receiving up to 9d. per pound, even under the excise duty of 1s.?—Yes, if the import duty is reduced.

334. Have you found any inclination on the part of farmers to start the growing of tobacco?—They are not doing so. I have advertised that I have the seed, and I have been distributing it gratuitously.

335. *The Chairman.*] Are you carrying on the manufacture now?—No. I have only 2,000lb. left of New Zealand leaf, and I cannot use it profitably under present duties.

336. *Mr. McGowan.*] You show an excellent return per acre, and unless there is some difficulty that we do not know of it is a strange thing that the farmer will not enter into the cultivation of the tobacco-plant. Is it a dangerous crop for him to raise?—It is if he has not a market for it.

337. But you have stated that you have always been ready to buy anything that was produced?—I have bought every pound I could.

338. Is the crop liable to danger in the drying process?—Yes, unless good care is taken of it.

339. I suppose that that is one reason why the farmers do not like to take the risk?—Yes.

340. What is the average amount per annum that you have paid in excise duty?—In 1890 (balance of the year), £1,030; 1891, £2,639; 1892, 2,503; 1893, £2,812; 1894, £2,699. The total wages paid for this period was: 1890, £794; 1891, £2,450; 1892, £2,766; 1893, £3,324; 1894 (ten months), £2,367.

341. *Mr. Stevens.*] What is the cost of producing an acre of tobacco?—£20 would cover everything.

342. Therefore, his profit would be £20?—That, I think, can be proved by the growers themselves.

343. What would it cost to manufacture the product of 1 acre of tobacco?—It costs me, on the average, from 6¾d. to 7½d. per pound to manufacture; in the case of some of the heavier-sized plugs the cost is a little easier.

344. In comparing the amount of labour employed in producing and manufacturing it would take about 50 per cent. of farm labour to produce the leaf and 100 per cent. to manufacture it: is that so?—It would not take 30 per cent. of farm labour to produce it. In the United States they allow 2½ acres of tobacco-land to a negro and family of three, and I think that that system is carried out pretty extensively.

345. How many of the crops of the farmers in the different localities you have named have you rejected or classed as inferior tobacco?—Taking the districts all round, fully two-thirds of the farmers have not produced a successful article. The tobacco itself has been right, but the curing has been wrong.

346. Then, there is a great deal of special knowledge required in the ordinary curing?—Yes. A man learns everything in one crop, but he must have an efficient drying-shed.

347. You now ask that the excise duty should be reduced from 1s. to 6d. per pound, or that the import duty should be reduced by 6d.?—Yes. The farmers have now lost their only market through our factory being closed, and I think that it is a pity, because during the last two years I have had more applications from them to grow the plant than I have had for years.

348. *Mr. Hutchison.*] Are you acquainted with any standard works on tobacco-culture?—I have pamphlets, but I do not know that I could give you a standard work.

349. There is one entitled the "English Tobacco Culture," which gives the production of tobacco to the acre as 2,900lb. in Virginia?—That is entirely a mistake. I know personally what is produced by an acre.

350. *Mr. Glasgow.*] Supposing that you had available an ample supply of well-cured first-class tobacco grown in the colony, would you still have to use imported leaf tobacco?—I should.

351. In what proportion?—In various proportions. One-third of imported and two-thirds of colonial.

352. The proportion of colonial, then, is much greater than you have been using hitherto. I think that the proportion you have been using is one-third of colonial and two-thirds of imported tobacco: is that not so?—Yes, for the very reason that I had to spin the colonial leaf out. You will notice from the returns that I used 16,000lb. of colonial and 30,000lb. of imported leaf tobacco in one year, but that was because the New Zealand tobacco was well matured. That 30,000lb. covered all our manufactures of cigars, cigarettes, and everything I made, but the colonial leaf simply went into the plug tobacco. I also have made plug tobacco out of pure colonial leaf, but I could not go on with it, because I had not the leaf suitable.

(15.) Moses Exler examined.

353. *The Chairman.*] What are you?—A manufacturer of earthenware jam-jars, carrying on business at Avondale.

354. How long have you been engaged in the business?—Four years.

355. Do you employ much labour?—Six hands; but we have stopped the manufacture because we cannot compete with the imported article. The Government charges 7s. a ton for the carriage of our clay on the railway, and the clay costs that amount.

356. When did you stop the manufacture?—Before last Christmas. The imported goods we complain of are the English and German earthenware jars.

357. What amount of duty would enable you to compete?—25 per cent.

358. Do you want that on the glass jars as well?—There is a glassblower here who now can hardly live, and I think he ought to be protected.

359. If you got this duty, do you think you would be able to sell your jars as cheaply as the imported ones?—Yes.

360. What price would you want to compete with them?—If we got 2s. 6d. a dozen we could compete in the 2lb. jars.

361. *Mr. McGowan.*] Can you get the quality of clay necessary for making the white jars?—No.

362. Do you make yours in nests and with all perpendicular sides?—Yes.

363. Do you make any with necks?—Yes.

364. Do you make many of the latter?—I have made three hundred dozen this season.

365. From the brown clay?—The Waikato clay.

366. Do you find the yellow clay makes jars equal to the English brown earthenware?—The fireclay is as good as any English fireclay.

367. Are your jars glazed outside and in?—Yes.

368. Are your glazed jars equal to the English glazed jars of the same size?—I cannot say that they are equal, but I have plant to manufacture my clay equal to the plant they have in England.

369. *The Chairman.*] Is your ware like the Milton Pottery ware?—Yes.

370. Can you make the ordinary yellow dishes for baking pies?—Yes.

371. Would your make in these dishes compare favourably with the Staffordshire ware?—I guarantee them to stand better, and to stand more fire than the Staffordshire goods.

(16.) H. Rees George (representing W. A. Ryan and Co.) examined.

372. *The Chairman.*] What matters do you wish to represent?—I am the sole agent for Australia of the Union Gas-engine Company of America.

373. What engines do they make?—Vapour engines.

374. To what purpose are such engines applied?—They are worked by gasoline oil, and are used for driving purposes—for stationary and marine engines, also for locomotive engines.

375. What do you ask?—I ask that the gasoline oil, which is now subject to a duty of 6d. a gallon, should be admitted free, on the ground that it is the cheapest motive-power at the present time—or, rather, it would be so if this duty were removed.

376. How many gallons of oil do you require to develop one-horse power?—10 gallons would run an eight-horse power engine for eight hours. For agricultural purposes this engine is particularly adapted.

377. What is the value per gallon of the oil?—1s. 2d. per gallon, including duty.

378. That gives you the cost per horse-power per hour of 2s. a gallon?—Yes.

379. *Mr. McGowan.*] Would you use oil of 1s. 2d. per gallon value in an engine?—The real cost will be something like 8½d. to 10d. a gallon, but I am including the duty of 6d.

380. *The Chairman.*] Assuming the cost to be not over-estimated, and not including this duty of 6d. a gallon, it follows that the cost per horse-power would be 2¼d. per hour. Could this oil be used for other than engine purposes, if the duty were removed?—Yes. The naphtha from which this oil is produced is used for other purposes, and is used by dentists, and in the manufacture of waterproof coats.

381. I understand it is only used to assist local industries?—It is not used for any other purpose, so far as I know. It is useful for agricultural purposes—for working threshing-machines, and a great saving of labour follows its use.

(17.) Alexander Bell Donald, of Donald and Edenborough, examined.

382. *The Chairman.*] What are you in business?—Ship-chandlers, sailmakers, and island traders. We have been thirty years in business in Auckland, and twenty years in the island trade.

383. What representations do you wish to make?—I came here in connection with the proposal to put a duty on island fruit. There is no duty at present, and I wish to show that to impose a duty on oranges would be a very foolish thing for New Zealand to do. I object to any proposal for placing a duty on island fruit, such as bananas, oranges, pines, or other tropical fruits. We wrote a carefully-thought-out letter some time ago to the Hon. Mr. Ward, which covers the whole question, and which I desire to put in:—

"Sir,— "Auckland, 23rd July, 1894.

"We notice by the papers that some of the fruit-growers are getting up a petition to the Government asking that a duty be put on island fruits, and we take the liberty of addressing you on the subject.

"Judging by the letters that have appeared, the petitioners seem to have very little idea of the present and future value of the island trade to New Zealand, and the amount of harm that placing a duty on island fruits would do to the trade. They look at the subject from a very narrow standpoint, and, on the face of it, have evidently given it very little thought. It is quite a fallacy on their part to think that by shutting out the island fruits it would be a good thing for them—to say nothing about the rest of the community. It is a well-known fact that fruit is a thing that the public must be educated to eat, and unless they get it at a comparatively cheap rate they will not use it; and this can only be brought about by placing it on the market at a price that will bring it within the reach of all classes of the community.

"For all the good oranges that are likely to be grown in New Zealand growers are certain to get a first-class payable price—at least 100 per cent. more than growers in New South Wales and California consider a good paying-price. We have only to mention that from the time that New Zealand oranges are fit to be placed on the market they can always depend upon getting 6d. to 1s. per dozen for all the fruit of good quality which they can send to market, whilst in New South Wales and California the growers consider 2d. a dozen a good paying-price, to show that the New Zealand growers have a splendid margin to come and go on without putting a duty on island oranges.

"Oranges cannot be brought from the islands and sold at less than 6d. per dozen average all the year round. To say nothing about the first cost, freight, and charges, the average loss cannot be put down at less than one-half—*i.e.*, that if a million are paid for at the islands you could not depend upon getting paid for more than half a million in New Zealand, one trip with another. Having had nearly twenty years' experience of the trade, we can speak with confidence, clearly showing that it is impossible for island oranges to be brought to New Zealand, and sold at a price that would affect those grown in New Zealand.

"It has been stated by the fruit-growers as one reason why a duty should be put on island oranges that money is sent out of the country to purchase them. This is not in accordance with facts. All the fruit that we bring up from the islands is paid for by the produce of New Zealand; in fact, we send no cash to the islands.

"From long experience of the trade, we should say, with all due respect, that it will be always to the interest of the Government and people of New Zealand to do all they possibly can to encourage and protect the island trade, as in years to come the South Sea Islands must and will be one of the great outlets for all kinds of New Zealand produce.

"For the above reasons we feel sure that it would be a mistake to put a duty on island fruits.

"We have, &c.,

"The Hon. the Colonial Treasurer, Wellington." "DONALD AND EDENBOROUGH.

384. Do you wish to add anything?—Certain matters might crop up in connection with the value of the island trade; but as regards the fruit I cannot add anything. The only question is one from a national point of view—viz., the great value of the island business to New Zealand. We have been running our steamers for about eight or ten years; we took the first mail-contract from the Government, and since then our trade has enormously increased; and were it not for the fruit trade and the back cargo of fruit the steamers could not possibly run. I speak advisedly as far as we are concerned. There is practically no cash sent to these islands for any return cargoes of produce. It all goes away in the shape of New Zealand produce of one kind or another—soap, meats, potatoes, timber, and all things that are produced in this country.

385. So that it is really a matter of exchange?—Yes.

386. I observe that you say nothing about lemons or limes?—There are no limes imported from the islands. This district produces first-class lemons.

387. Supposing we were asked to retain the duty on lemons, do you see any objection to such duty?—No. We do not object to the duty on lemons, as few lemons or limes are imported from the islands.

388. *Mr. Mackenzie.*] As Sydney is adopting a free-trade policy, if this colony were to impose a duty on fruits, would not such a duty have the effect of almost killing the island trade?—It would.

389. Do you know if Auckland is still holding her own in this trade?—Yes.

390. In flour?—No; because our flour will not keep well enough; it is milled too wet. We do not send any large quantity of flour to the islands. The bulk of the biscuits that go to the islands go from New Zealand.

391. Do you mean that the wheat is threshed out too soon or milled too soon?—No. Adelaide or Californian flour is the only flour used, as nothing else will keep. Firth, when he erected his mill, erected special machinery in order to get the island flour business, and I took a considerable quantity of it, but we found it would not do. Bycroft and Firth also entered into a contract with the New Caledonian Government for a twelve months' supply, and the third cargo was thrown on their hands, and there was a lawsuit over it. The thing was not a success.

392. Do you know if there is any trade in flour with the islands from Central Otago?—I do not.

393. Have you ever tried any process for getting rid of the moisture?—No. Flour in San Francisco is very much cheaper than it is here at the present time.

394. It has been represented to us that our trade with the islands has been falling off, but I do not look upon the evidence as absolutely correct. Is it so?—It is a great mistake.

395. Do you think that Sydney is cutting us out in the soft goods?—No. Two months ago I was in Sydney, and I went into McArthur's, and I found that Clark's (Auckland) prices compared favourably with theirs.

396. That is in respect of cotton goods on which there is no duty?—Yes.

397. Do we export much butter and cheese to the islands?—Yes; but not so much cheese.

398. And preserved meats?—Yes.

399. *Mr. Tanner.*] Would you regard Mr. Coleman Phillips as an authority on the island trade?—No, quite the opposite.

400. Do you not think that his statement is correct that an enormous possible trade is being neglected by the apathy of the Auckland merchants?—Not on the lines laid down by him. I refer to a scheme of his I have seen in a paper, which was a very wild and visionary one.

401. What do you think of his proposal to establish twelve or fourteen new steam lines?—I think the man is out of his mind in proposing it.

403. What value do you attach to his statement that the Auckland share of the trade is being rapidly monopolized by Sydney?—It shows that he does not know anything about the matter. I have known Mr. Coleman Phillips and his ideas for many years, and every one in the island trade looks upon him simply as a bit of an ass.

403A. *Mr. McGowan.*] Do you want that to go into the report, because the reporter has probably taken it down?—I do not care. I look upon Mr. Phillips as a man who is not at all practical, but simply a visionary humbug. I say emphatically that there is no one who has the capital invested in the islands, or who has given the island business the attention that I have. Not even in Sydney, or in the other colonies, has any one the interest that the firm of Donald and Edenborough has. This is not a question of a year or two, but one of nearly twenty years.

We not only run steamers, but we have large establishments in different parts of the islands, and at Tahiti. Our total island business amounts to nearly £100,000 a year.

404. *Mr. Tanner.*] So you claim to speak from a practical experience of many years, and not from the hasty experience gathered from a flighty and hurried trip through the islands?—Yes.

405. *The Chairman.*] Would you object to state how much your firm has invested in the islands?—Our expenses for three years running were close on £20,000 a year. Our insurance account for three years running was quite £2,000.

406. Your firm has shown sufficient enterprise, no doubt, to induce you to take advantage of any steam routes that could possibly have been developed, and you would have adopted them wherever you had seen a good financial result?—Yes.

407. Have you any interest in Samoa?—Yes. We were interested there, and we were running, but the Union Company ran a steamer, and then the German people, so that there were three running, although I opened up that trade with New Zealand, and under contract with the New Zealand Government. When I found, however, that the Union Company thought it necessary to put on a boat in opposition to us, we simply made up our minds to develop other places, and only make trips to Samoa under contract with the Government.

408. Could you give us the names of the islands or groups with which you trade from Auckland?—We deal with the Hervey and Cook Groups, with the Society Islands, Tonga, Samoa, Fiji, and New Caledonia.

409. *Mr. Tanner.*] Do you ever visit the Manihiki Group?—I have only been there once.

410. When does the "Richmond" leave Auckland?—Regularly every month.

411. *The Chairman.*] Do you wish to add anything?—I would simply say that it would be a bad day for New Zealand if she lost her hold upon these islands, because whatever small advantage there may be in the trade at present, depend upon it that some day an immense trade will be done with the islands, and New South Wales and New Zealand are going to do it.

(18.) John Stubbs examined.

412. *The Chairman.*] What are you?—I am a salt-manufacturer.

413. How long have you been in business?—Three years; but I have had to suspend operations for the past two years, because the price of salt has got so low that we are unable to compete with imported English salt.

414. What do you make your salt from?—We import Adelaide bay salt and mix it with salt obtained here by the evaporation of sea-water.

415. What salt do you prepare after this process is gone through?—Table-salt and coarse salt for pickling-brine. I sent several samples to Wellington years ago, and I have had no complaints as to the quality.

416. Do you know a salt called the English Black Horse salt?—Yes.

417. How does your salt compare with that?—The Black Horse is no different to any other. It is manufactured in the same way, and I can produce equally as good an article. I have worked amongst the Black Horse salt, and I can produce a purer and cleaner article.

418. At what price can you produce salt so as to make a living?—We have to sell now at £3 a ton, and the English salt is sold at £3 5s. a ton.

419. What is the price here of the South Australian salt?—The price to us is £2 per ton for the coarse unrefined salt, duty-paid. The duty is 10s. per ton.

420. Then, you really want a removal of the duty on the coarse salt?—Yes, off the salt imported for our manufacturing purposes only. We do not want the duty removed from the fine salt.

421. If it were asked that agricultural salt should be admitted free of duty, how would it affect your industry?—It would not affect us provided that it was not sold for other purposes.

422. *Mr. Mackenzie.*] Cannot you make agricultural salt here?—Yes, but it is useless to make it, seeing that it can be imported so cheaply.

423. *Mr. Stevens.*] How is it that you cannot manufacture agricultural salt in the same way that they do in Adelaide?—We have not the same natural ingredients to assist us. There they have the natural brine-springs, and here we have to evaporate the sea-water.

424. You really do not manufacture salt here at all?—We manufacture and then refine it. By the process of manufacture and mixture with the New Zealand salt we get 2 tons out of 1 ton of Adelaide salt.

425. You mean that the manufactured article contains 50 per cent. of the New Zealand salt and 50 per cent. of Adelaide salt?—8½ per cent. is New Zealand water-salt and 8½ per cent. is Adelaide salt.

(19.) Deputation from the Auckland Typographical Association (Hon. W. T. Jennings, M.L.C., President, and Joseph Graham, Vice-president).

426. *The Chairman.*] Does this deputation approve of the suggestions made by the sister associations in Wellington, Christchurch, and Dunedin?

Hon. Mr. Jennings: Yes, so far as they go, but we wish to submit a few further suggestions.

427. *The Chairman.*] Will you kindly state the new points?—We approve of subsection (6) of clause 3 of the list submitted by the Wellington Association, recommending that a duty of 50 per cent. should be placed on handbills, programmes, circulars, show-cards, labels for presentation-books, lithographed posters, invoice-forms, &c.; but we wish to substitute for the word "tags" the words "printed tags," and to recommend that lithographed posters, 40in. by 60in., and under, also pictorial calendars and companies' almanacs, be subject to a duty of 50 per cent. We wish to look at this clause from a broad point of view, and are inclined to think that, in the interests of several struggling industries in New Zealand, an *ad valorem* duty of 50 per cent. upon invoiced prices

would not meet the case of advertising matter sent out with proprietary articles—such as soaps, cocoa, confectionery, patent medicines, &c. The Sunlight Soap Company, for instance, send out with their soap, boxes of printed matter, including books [sample case produced]. Our local soapmakers produce soap at £20 a ton, and the Sunlight sends soap in at £30 a ton. The reason they obtain a higher price than the local factories is on account of these books and pictorial representations being given away to purchasers of their soap, and the consequent advertisement obtained.

Mr. Graham: The Sunlight Company run twenty large machines continually printing these works.

Hon. Mr. Jennings: These cases containing books and printed matter are sent out to every purchaser of ten cases, and no duty is paid on them.

428. *The Chairman.*] What suggestion do you make to get over the difficulty?—That a very high duty should be placed on this imported printed matter.

429. Then, you ask that literature, books, and pamphlets sent out with proprietary medicines and goods of any kind should be subject to a high duty?

Mr. McGowan: I do not see how you will get over the trouble, because the proprietors of these goods will simply send them in a separate parcel, and evade the duty. I myself imported some tea, and with the tea seven hundred volumes of literature: some splendid standard works were included, such as Nuttall's dictionary, Goldsmith's works, and the Waverley novels. They came out in separate packages; and, if you tax the books you allude to, the proprietors will send them out in another package as literature, duty-free.

The Hon. Mr. Jennings: The books I allude to are sent out with the articles; and in this book [produced] there are six or eight almanacs, called the "Sunlight Soap Almanac." The point is this: that in the soap industry the local soapmakers cannot possibly compete against such a company as the Sunlight on account of the system of distribution of books; and the printer also must be placed at a disadvantage, as the local printing-offices do not participate in the work so freely scattered about this colony.

430. *The Chairman.*] How would this suggestion meet the difficulty: That literature, books, and pamphlets sent out with goods of any kind, with the object of assisting the sale of any article, be subject to a duty of—— ?—Our suggestion is as follows: We do not believe that an *ad valorem* duty of 50 per cent. upon invoiced prices would meet the case of advertising matter sent out with proprietary articles such as before mentioned, where the advertising matter is produced in such vast quantities, at a very low rate at Home and on the Continent, for distribution throughout the world, and only a very small proportion of which is forwarded to each place, invoiced at the rate of the bulk production. New Zealand manufacturers have no chance of competing with the imported goods when handicapped with advertising matter distributed broadcast at a nominal cost, even after adding 50 per cent. duty to the invoiced price. We propose that there be appointed at each port of entry a printing expert, to be paid a fixed sum for each item he estimates, to estimate the factory-cost of production in New Zealand for the given quantity imported, and that the goods be assessed at this value, and a duty of 50 per cent. be charged on the cost of producing a like article in New Zealand.

431. In order to avoid the expense of appointing a printing expert at each port of entry, would it not suffice to put a prohibitive duty of 1d. a page on every such book or pamphlet? Such duty would amount to £4 3s. 4d. per thousand pages, and would prove a prohibitive duty on every circular and book?—It would go a long way towards stopping the importation, but, as a matter of fact, are there not experts in regard to other things now?

432. Do you not think the same result would be obtained by charging a fixed duty of so much per folio on everything of the kind that is imported?—Yes; I would take that in preference to the other suggestion.

433. Is there any other matter?

Mr. Graham: No doubt other typographical associations have laid before you the matter of imported stereos, which is an evil we notice in our trade.

The Chairman: They have asked elsewhere that imported stereo matter should be charged duty, but they have no objection to stereos set up in the colony; and they do not object to the introduction of matrices.

(20.) Deputation representing Soft-goods Warehousemen (Matthew A. Clark, representing Clark and Sons; J. F. Logan, representing Mackay, Logan, Steen, and Co.; Henry C. Tewsley; and Thomas Finlayson, representing Sargood, Son, and Ewen).

434. *The Chairman.*] What representations do you wish to make?

Mr. Clark: I will read the recommendations of the Auckland committee of the Warehousemen's Association regarding the tariff. We are not desirous of making any alterations in the tariff so far as the duties are concerned, but we wish to readjust certain items in order to make the tariff more simple. I believe that our recommendations will amount to practically the same as those made in Wellington:—

"*Recommendations of the Auckland Committee of the Warehousemen's Association of New Zealand to the Tariff Commission.*

"Agreed that we recommend to the Tariff Commission that all cotton and union piece-goods and flannelettes be charged a uniform duty of 10 per cent., with the exception of calicoes (white and grey, all widths), sheetings, pocketings, silesias, tailors' and bootmakers' linings, ducks, drills, moleskins, cotton cords of all descriptions, including beaverskins (plain and corded), dungarees, denims, staymakers' and pocketing jeans, and cotton italians, which should be free.

"Union piece-goods, under 9d. per yard, and cotton piece-goods and flannelettes, cut up under the supervision of the Customs for manufacturing purposes, in lengths not over 3½ yards, should be free.

"Linen goods to remain as at present, 20 per cent.; but cream dressed hollands (being chiefly used for tailoring and dressmaking) and drills (plain, striped, or checked) should be added to the free-list.

"All shawls, irrespective of size or materials, should be either 20 or 25 per cent.

"Silk laces, mechlins, veilings, and all mourning crêpes should be 20 per cent.

"Braids of every description (except gold and silver lace, used specially for uniforms, which should be free) to be charged 10 per cent.

"Fancy dress-trimmings of all kinds, and fur-trimmings to be 20 per cent.

"Mending- and knitting-cottons should be free.

"Blind-cords, including glacé, should all be free. Upholstery gimps are admitted free, whilst cords to match, used for like purposes, are charged 25 per cent. These should be free if in the piece—that is, in quarter-gross cards at least.

"We consider that all hessians, whether striped or plain, should be free.

"All millinery, hats or bonnets, trimmed, whether with feathers or otherwise, or untrimmed, should be 20 per cent.

"All *bonâ fide* discounts, excepting cash discounts, be allowed.

"In conjunction with the recommendations made by the association in Wellington, we should be glad to see the tariff simplified as much as possible, and that in future all fresh decisions be notified by wire to the several ports, and advertised, so as to bring the decisions into force in all ports on the same day.

"*Re* query *re* forfars, flax sheetings, and dowlas: As these goods under 7d. are now free, and our trade in these goods beyond this price is very limited in Auckland, we have no recommendation to make."

We produce samples of flannelette shirtings, to show the difficulties that arise. Of these samples, two patterns are dutiable, two patterns sometimes pay duty, and sometimes are admitted free of duty, and the others are admitted free. It is the same with braids [samples produced]: some are dutiable at 10 per cent., 20 per cent., and 25 per cent. (for what reasons we do not know); others are free.

435. Will your suggestions get over over the difficulty?—Yes.

436. With regard to tailors' linings, black and slate hollands are free of duty, but cream-coloured hollands pay duty at present: how do you provide for overcoming that difficulty?—We meet that by adding cream dressed hollands to the free-list.

437. What about forfars and flax sheetings?—They are free now, so far as Auckland is concerned, but the difficulty has not arisen here.

438. Do your recommendations remove the difficulty?—We believe so. [See above: no recommendation to make *re* forfars, flax sheetings, and dowlas.]

The Chairman: Your recommendations seem to be likely to assist us a good deal in putting matters on a fair footing, and we are very much obliged to you for the trouble that you have taken.

Mr. Logan: Regarding the loss caused by excessive examinations, we have come to the conclusion that if these recommendations were carried the necessity for the examinations would be done away with.

(21.) William Elder examined.

439. *The Chairman.*] What are you?—I am an agricultural-implement maker.

440. Are you in business here?—Yes.

441. How long?—Five years.

441A. Do you employ much labour?—Sometimes four or five hands. I have employed ten at one time.

442. What do you ask?—I ask for a 25 per cent. duty on all imported agricultural implements that could be produced in the colony.

443. Can you mention the names of the implements that can be made here?—Ploughs, harrows, cultivators, scarifiers, horse-hoes, rakes, drills, land-rollers, clod-crushers, seed-sowers, seed-separating machinery, winnowing-machines, corn-crushers, and corn-shellers. This application is against my own interests at present, as I am an importer of American implements, but the imposition of the duty will be beneficial to the colony in the future.

444. Supposing that this duty were imposed upon all agricultural implements that could be produced in the colony, the effect of the duty, of course, would be to increase the cost of such implements to the public by 25 per cent.?—Yes.

445. Would it not, therefore, be possible for you, if you so chose, to raise the price of your article by 20 per cent. in order first to undersell the imported article, and consequently to obtain more profit?—No. Taking ploughs, which I am making now, the price has not been increased, and the price of other implements would not be increased. I would get more to make, and the extra quantity would allow me to reduce the cost.

446. But what is there to prevent your raising your price?—Nothing.

447. Is there no such thing as competition?—Competition would bring the price down, and no doubt there will be competition as soon as the higher tariff is brought in.

448. You think that there would be sufficient competition to prevent a man doing what he would do under the circumstances—namely, of making a bigger price?—Yes.

449. *Mr. Mackenzie.*] You say that you are not going to increase the price?—No.

450. What do you want more duty on for?—For the reason that it would raise the price of the American implements, and allow us to sell ours.

451. Are you not selling now as cheaply as the American?—In some things I am.

452. And in some things you are not?—No; for the reason that a good many of the American implements are inferior to those supplied locally.

453. Do you think that the farmers cannot discover the difference?—Those that do discover the difference acknowledge it by purchasing the better article, but there are others that will not buy the better-class goods. They buy the cheaper ones, and do not see the difference.

454. You say that you can manage some goods as cheap as the American goods, but that you cannot manufacture goods as cheap as the American inferior goods?—Yes.

455. Surely the farmers can discover the inferior goods?—But they will not.

456. Do you include reapers-and-binders in your list?—No. I do not think that there is sufficient demand here to induce any one to make them.

457. You actually assert that the tendency of the 25-per-cent. duty (which is an enormous duty to ask) would not be to increase the price to the user?—No; I do not think it would increase the price.

458. If it were to do so, it seems to me that you do not want a duty. Do you think that the farmers, with the miserable prices that they are getting for their products, can afford to pay higher prices for their implements?—That I could not say.

459. I do not suppose that produce will be always as low as it is now. In other words, do you think that farmers should be called upon to pay high prices for their implements for the mere sake of keeping industries going in towns?—I think that it would be to their interest to assist us.

460. Why?—Because it would put a certain amount of capital into circulation amongst ourselves.

461. What good would that do the farmer?—It would enable him to obtain high prices for his produce.

462. But, in regard to the price of produce, are you not aware that prices in this colony are determined by what you can get in other countries for that produce?—But if there is plenty of money floating about, the local market will always be raised. If there is no money there is no market.

463. Are you not aware that the prices of all our products are fixed abroad?—[No answer.]

464. Supposing a farmer gets £1 for a sheep in London, and it costs 5s. to take it Home: he sells it here for 15s. Is that not so?—[No answer.]

Mr. Mackenzie: I wish to show that the farmer gets no benefit from the local market here.

Mr. Elder: You say that his benefit is derived from the market outside the colony.

Mr. Mackenzie: That the price that the farmer sells his frozen mutton at is fixed at Home.

Mr. Elder: Then, your argument amounts to this: that colonial industry has no right to rise at all.

Mr. Mackenzie: My contention is that you have no right to tax the farmer to keep a lot of industries going in towns.

Mr. Elder: Yes. Then, what are we going to do? Our families are growing up.

Mr. Mackenzie: That is your look-out. What are you going to do for the farmer? You have done nothing for him.

Mr. Elder: I think that men in my line do a great deal for the farmer.

465. *Mr. Stevens.*] Do you make ploughs?—Within the last five years I have made over five hundred ploughs of a new kind.

466. Do you know Duncan's plough, and Reid and Gray's plough?—Yes.

467. Why do you ask for a duty of 25 per cent. against all ploughs, when the locally-made ploughs have driven the imported article out of the market?—The local makers have not done so. There is a new American plough coming in, which the local manufacturers are not making, and it will drive out the local plough. I can refer to twenty or thirty places here where you can buy this plough for £5 or £6.

468. *The Chairman.*] Can you make that kind of plough?—Yes.

469. *Mr. Stevens.*] How long is it since this American plough has been cutting the colonial plough out of the market?—Four or five years.

470. Do you mean to say that neither Duncan nor Reid and Gray were aware of it during that time?—I could not say.

471. We have evidence to show that the imported plough has been practically driven from the market by the colonial ploughs. The latter are superior in quality, and are better adapted in all cases for New Zealand work. Does the English plough also come in?—I understand that the imported ploughs are all American, but the new kind I refer to has only just come into the market, and it is only because they have not been properly introduced that they are not making headway.

472. What is the difference between this American plough and Reid and Gray's double-furrow plough?—A single-furrow ordinary American plough, to turn a furrow of about 16in., can be bought for £5 or £6, and it does nearly as much work as a Reid and Gray plough costing £17.

473. The ordinary plough turns a furrow of 6in. by 10in.?—That is the average, but the American ploughs turn a furrow of 16in. with one horse-power less.

474. *The Chairman.*] Is there anything that you wish to add?—No.

(**22.**) JOHN HALL examined. WILLIAM ELDER was also present.

475. *The Chairman.*] What are you?—A bolt-, nut-, and rivet-maker. I have been in business here ten years.

476. Do you employ much labour?—Myself, brother, and son. There is not enough work here to enable me to employ much labour.

477. What do you wish to say?—At present there is a duty of 20 per cent. on imported engineers' bolts, and I would suggest the substitution of a fixed duty of 5s. per hundredweight upon all imported engineers' bolts and nuts. Coach-bolts, which come in free, should, I think, be dutiable.

478. A suggestion was made by one witness that all bolts of a size up to 7in. by ⅝in. should be free, and above that size dutiable: would that suit you?—No. I ask that all engineers' bolts and nuts, coach-bolts, rivets, railway spikes, and deck-spikes, should be dutiable.

479. But there are a number of other local industries that require these bolts, nuts, and rivets, and they ask to be allowed to import them duty-free?—Yes. They want protection themselves, but nobody else to have it. There are more coach-bolts used than of other kinds, and the coachbuilders get them free. We ask that all bolts should be dutiable. I have also made from four hundred to five hundred pairs of boat-rowlocks for Auckland alone, but they are now free, as ships' chandlery.

480. What duty do you want on them?—A duty of 3s. per dozen pairs, or of 20 per cent. *ad valorem*.

481. *Mr. McGowan.*] Have you ever worked in the ships' chandlery line?—All my life; since I was thirteen years of age.

482. Are there not firms in England who do nothing else but make bolts of a certain size?—The Slope works, near Birmingham, make all sizes.

483. And they supply all the foundries who use them?—Yes. They turn out 300 tons a week of finished work.

484. And these big establishments use the nuts and bolts made by special firms in preference to making them themselves?—Yes; but some foundries make their own.

485. Do you think you are justified in asking for a duty on these things, and in not allowing us to import them?—Yes. I think that there is room here in this line for a big trade. There is room for a dozen hands in Auckland alone.

486. Do you think that for the sake of a dozen hands in Auckland the whole of the users of mixed and carriage bolts and nuts should be obliged to pay a higher price for their goods?—Why should not these people who are doing large businesses assist to start other industries?

487. *Mr. Tanner.*] Is there any probability of your being able to make these articles at anything like the price at which they are sold at here now?—I can make them at the price they are now sold at.

488. Why do you ask for a duty?—Because the public run to the importers, and they will not come to me unless they can get the goods cheaper.

489. Do you mean to say that there is prejudice against the colonial work?—The consumers will not use a local article, but run to the local importers for everything they want.

Mr. Elder: I am buying my bolts from Mr. Hall, and I am now going to buy my nuts also.

490. *The Chairman.*] Why do you prefer a duty at per hundredweight instead of an *ad valorem* one?—Because the accumulated stocks at Home are sent out here very cheaply in order to reduce them, and sometimes the price is so low that the amount of the duty at the *ad valorem* rate amounts to a mere trifle. These goods are often shipped even at a loss in order to get rid of them, and a fixed duty at per hundredweight would prevent this.

491. You prefer the fixed duty at per hundredweight for that reason?—Yes.

(**23.**) Thomas J. Harbutt examined.

492. *The Chairman.*] What are you, Mr. Harbutt?—Managing director of the Kapai Corn-broom Company, and the originator of the business in Auckland and in New Zealand.

493. How long has the business been established?—About sixteen or seventeen years.

494. How many hands do you employ?—Nine or ten, but we could employ double the number if trade were better.

495. Do you grow your broom-corn?—No; we cannot get the farmers to take it up. We grew some once at Te Puke, but the land was not good enough.

496. Do you import the corn?—Yes.

497. And the timber for the handles?—No; we make them, and also execute orders for Australia.

498. What wood are the handles made of?—White-pine and kauri.

499. Is it a fact that the broom-corn cannot be grown sufficiently long for your purposes?—It depends upon the soil. I imported the best seed from the United States, and nine out of ten persons grew it well, but when it came to a head they used it for feed, and I did not receive half a ton from all the farmers to whom I gave the seed.

500. Did they feed their cattle on it?—Yes; it is the best cattle-feed you can have.

501. Can this corn be grown here as good as it can be imported?—Yes.

502. What price generally are you prepared to pay for it?—We are paying now £18 per ton, and I have offered £25 per ton to the local farmers for all they could bring me.

503. £18 per ton f.o.b. in America?—Yes.

504. How many tons can be grown to the acre?—It depends upon the soil; from 5cwt. to 8cwt.

505. If another witness told us that you could grow 2 tons to the acre that statement would not be correct?—He knows nothing at all about it.

506. Then, a farmer could derive, through the cultivation of this article, from £6 5s. to about £10 per acre?—He should obtain that amount very easily, and then he has all the rest of the straw for feed, and also the seed, which is used for feeding cattle, poultry, &c.

507. What do you wish to represent to the Commission?—I wish to hand in the following statement:—

"That your petitioners have been manufacturers of the so-called 'American corn-brooms' for the last twenty years, and originators of the industry in New Zealand.

"That, from a time when two thousand brooms were turned out in their factory in one week, now it has, within the last two years, dwindled down to less than one-quarter, and this entirely owing to cheap imports from Italy, where wages do not exceed 10d. per day, as against 8s. to 10s. per day paid by us in New Zealand.

"That, whereas we have to buy our entire supply of broom-corn from Fr'isco at high rates, and pay mail freight for same, the Italians grow their broom-corn in immediate vicinity of their broom-factories.

"That, up to date, no farmer or settler has taken up the culture of this broom-corn; that the writer has experimented for years with best imported seed, and grown it with complete success; that it will grow equally well as maize, in same locality; that your petitioner professes to be an expert in its growth and culture, preparation, and curing for the market, and willing to teach all he knows respecting it.

"That your petitioner, to encourage its culture in New Zealand, would strongly urge a bonus per ton to all settlers who would grow it in New Zealand. The extent of its cultivation and amount of value in America is enormous, amounting to millions of dollars per annum.

"That, independent of a home trade in New Zealand, there would be a very large market open in Australia, as their climate and soil are not so suitable for growing, while their demand for it is far in excess of what is required in New Zealand.

"That at present the raw materials required in the broom trade are not all free. It is prayed that all the materials for the manufacture be hereafter allowed in free.

"That at present a duty of 20 per cent. *ad valorem* is paid on imported corn-brooms, which, in the case of those hitherto imported from America, where wages are nearer our own scale in New Zealand, may have been sufficient to enable us to compete, but not of late years. In imports from Italy, where wages are only 10d. per day, thus making their net cost of brooms so low, as invoiced, that 20 per cent. is scarcely perceptible, we would pray that on this particular industry it may be increased to 30 per cent. for a few years until farmers are able to grow the broom-corn in New Zealand, as we would then be better able to compete with outside productions, and without protection.

"That your petitioner has five sons in the corn-broom trade, and would be glad to put any of them on to land with a view of growing this broom-corn, and show practical and paying results, they having gone through, each of them, a practical experience on land, provided they were allowed to select a few hundred acres suitable, and for which they would pay.

"That the Hon. the Premier was interviewed when in Auckland upon the subject, and he saw the importance of the industry, and the feasibility of its being made a valuable product for manufacture, as well as for export to neighbouring colonies.

"That your petitioner will be glad to wait upon the Commissioners now sitting, and answer any questions they may desire to ask on the subject."

508. What articles do you use in your manufacture, and which you ask should be free of duty?—Twine principally, and tacks.

509. I suppose it has struck you that twine is manufactured in the colony?—Yes, but we use the coloured twine, and we cannot get it here.

510. Have you asked anybody to make it here?—We could not get it here at any price.

511. *Mr. Stevens.*] Does it require very rich land to grow the millet?—Bottom land, or alluvial land; but if you get it too rich it causes the millet to grow to greater length than we want. We do not want the head too high, but of a medium length. Too long a head means waste; but that can be removed be sowing the seed thicker, and by getting a thicker crop.

512. Do you think that there is a large importation of brooms made from paddy straw, or rice straw?—No.

513. Are not these brooms purchased, because of their cheapness, in preference to the colonial-made brooms?—No; the fibre is rubbish, and will not make a strong broom. The Japanese broom is but a flimsy one.

514. Is it owing to the importation of this kind of rubbish that you are unable to compete?—No; I am speaking of the Italian brooms, which are quite a different article.

515. Are the Chinese and Japanese brooms taking the place of your brooms?—Never.

516. Then, practically, there are no Chinese or Japanese brooms imported?—No; only Italians.

517. Are the Italian brooms equal to the colonial?—No; they have not the body. I think the corn is there, but they are not made as we make them. They are made by cheap labour, and are sold at 5s. and 6s. per dozen.

518. What does it cost you to produce a dozen brooms, equal or superior to the Italian brooms in quality?—[The witness produced a sample of his best broom, sold at 16s. per dozen, and said he made them down to 7s. 6d. per dozen.]

519. What would the Italian broom cost?—From 5s. to 6s. per dozen; but the best Italian broom would cost about 11s. per dozen.

520. Supposing a bonus were given for the growth of millet, how many acres would be required to supply the demand for the colony?—It would take 1,000 acres to grow the corn we use.

521. *The Chairman.*] Do you import the brass fittings?—No; they are made here.

(24.) Louisa Davey examined.

522. *The Chairman.*] What are you?—A maker of ladies' and children's underlinen. I have been fifteen years in business.

523. What do you ask?—I find it difficult to compete with the imported underlinen, as I have to pay a duty of 20 per cent. on the embroideries and trimmings. The ready-made articles are 25 per cent., so that there is only 5 per cent. in my favour. Mr. Reeves visited my factory, and said it was an industry that should employ hundreds of women.

524. Do you want the duty taken off the articles you use, or an additional duty placed on the imported ready-made articles?—I would ask for an additional 10 or 15 per cent. duty on all ready-made garments (children's and women's), including boys' suits and cloaks.

525. If the duty were raised, would it not follow that the public would have to pay more for the articles?—Not necessarily, as competition would keep the price down.

526. You would not raise your prices?—No.

527. *Mr. Tanner.*] Do you import embroideries and materials used as trimmings, or do you get them from an importing house?—From an importing house.

528. Why do you ask additional duty on the ready-made article rather than the removal of the duty on the trimmings?—When the articles come in duty-free it gives the retailers a chance to cut against the factories, and by people taking the work home at night.

529. Did you fear that if the duty were removed from the embroideries that it would mean so much into the pockets of the importers, and that they would not lower prices in a corresponding degree?—If the business were more successful I should certainly import my own.

530. You think an increase of duty on the ready-made articles is the best way of obtaining the assistance you want?—Yes.

531. *Mr. Stevens.*] Do you find that the importation of linen and lace articles by Orientals interferes with your trade?—Yes.

(**25.**) JAMES DUNNING examined.

532. *The Chairman.*] What are you?—A coal-merchant and shipowner.

533. What do you wish to represent?—I propose to give evidence in favour of a duty on Newcastle coal. It would be in the interest of the colony to impose a duty of, say, 2s. 6d. per ton on Newcastle coal, on the following grounds: (1.) It would be the means of largely increasing the output of coal from New Zealand mines, some of which are owned by the Government, and from which they receive royalties. (2.) It would give employment to a great many more coal-miners than are at present employed. (3.) It would employ a greater number of small vessels and seamen on the coast, and would consequently be a distinct advantage to shipping and to local ship-builders. (4.) The proposed duty would not have the effect of raising the price of coal, as, with an increased output, the local mines would be able to sell at lower prices and still have a better profit. (5.) Coal for gas, as far as the northern mines are concerned, might be allowed in free. (6.) Queensland imposes a duty of 2s. per ton on coal, and Tasmania 3s. per ton; New South Wales a duty of 10 per cent. (7.) If Newcastle coal were excluded from Auckland and local coal used in its place it would give employment to about eight hundred men.

534. Is it not a fact that vessels trading between New Zealand and New South Wales take cargoes from here, and bring back return cargoes of coal?—Yes.

535. Supposing the effect of the duty on Newcastle coal were to stop or limit the importation, would it not follow that a vessel going, say, from Timaru with wheat to Sydney would charge a heavier freight for carrying such produce because of the impossibility of obtaining a back freight of coal?—I have very little doubt that such a duty would mean a higher rate of freight for produce and timber; but, on the other hand, I understand that one of the chief arguments against a duty on Newcastle coal is that it is inimical to the interests of shipping, and, although it is not in the interests of large vessels, I think that in the end the duty would lead to a greater gain than loss, by reason of the number of small vessels that would be employed on our own coast.

536. So far as the shipowner is concerned, any loss he might incur by the stoppage of trade between Newcastle and this colony would be compensated by the coastal coal trade that he would get between our own mines, but there would be no offset as against the higher freight that would be obtained on the exported farm produce?—There is no offset as far as I am aware.

537. *Mr. McGowan.*] What do you mean by "Coal for gas, as far as the northern mines are concerned, might be allowed in free"?—I mean that, as far as the Auckland mines are concerned, we would be willing to admit Newcastle coal in free, because our coal is not suitable for gas, and the reason we use the words "northern mines" is because we do not want to say anything that would operate against the interests of the southern mines, such as Westport and Greymouth. Those mines can supply coal suitable for gas, and we simply say that, as far as our mines are concerned, we are not prepared to supply any for gas-making purposes.

538. Is your coal suitable for the foundries?—Yes.

539. Is it not a fact that foundries must use some Newcastle coal?—Blacksmiths must, but not foundries.

540. Do not foundries to a certain extent execute blacksmithing work?—Blacksmithing is a very small proportion of their work. The foundries here use the local coal.

541. Would not the result of this duty be to increase the cost of coal to those people who use Newcastle coal for blacksmithing purposes?—Yes.

542. Do you think that you are justified in asking that the cost of this raw material should be increased?—Yes; because the amount of Newcastle coal used for that particular purpose is so very small.

543. Why do you make this exception in favour of gas companies?—Because otherwise they would raise the price of gas to the whole community, and the public would naturally object, and we want to do away with any cause of objection.

544. Do you know what kind of coal is used in the mining districts?—They use our local coal.

545. Does not the Thames use Newcastle coal?—Yes; but the amount of Newcastle coal used at the Thames is very small compared to the amount of Ngunguru and Hikurangi coal used, and they can very well do without it.

546. Are there not certain reasons for using certain coal in connection with the mining industry?—I believe in some cases that there are.

547. *Mr. Hutchison.*] Do you know anything as to how the mines in the South Island are worked?—No.

548. If it is the case that the coal-mines in the South are close corporations, to a certain extent causing the coal to be very dear, do you not think that your proposal to make Newcastle

coal dearer would be a very retrograde step to take?—It would have the effect of cheapening coal in Auckland. The trade in Newcastle coal here is in the hands of two or three wholesale dealers entirely, and whereas they buy it very cheaply and freight it over cheaply it is not sold to the consumer at a cheap rate. Newcastle coal in Auckland costs, landed, from 12s. to 16s. a ton, and is retailed at £1 6s. to £1 10s. Local coal sells at from 14s. to £1 2s. a ton.

Mr. Hutchison: That is precisely the effect of a monopoly that exists in the South, where coal is very dear, and would be still dearer if it were not for the Newcastle coal.

Witness: The coal companies in Auckland would be prepared to enter into a guarantee not to raise the price of coal, and I think that is one of the most important features of this proposal. With us it is purely a question of output, and not a question of price. We desire to increase our output, as our standing expenses are the same for an output of 100,000 tons as what they would be for 2,000; consequently, with a larger output, we can sell the coal much cheaper, and the State would have a greater profit. There are many mines now struggling which would be put on a better footing by means of this duty.

549. *Mr. Tanner.*] Did I understand you to say that you were prepared to allow the free importation of Newcastle coal to Auckland, because there is no suitable gas-coal in the province?—No; I referred more particularly to the mines about Auckland that supply coal here. This coal is not suitable for gas-making. I admit that I might have drafted that clause more suitably, and inserted a more applicable term as far as the Auckland mines are concerned.

550. You intended that you would allow coal to come in for the Auckand Gas Company free because there is no suitable gas-coal in the province?—Yes.

551. Would you allow the same concession to Hawke's Bay, Wellington, and Canterbury?—I do not want to affect the interests of the southern mines.

552. I understand that you wish to impose a duty on all coal imported except for gas purposes?—Yes.

553. Have the gas companies been so specially magnanimous that such a concession should be made on their coal?—They are wealthy corporations, and this proposal is to do away with their hostility.

554. Then, as this proposal is to be for the public benefit, the gas companies are to be bribed by yourself to agree to it?—Yes, that is practically so.

555. You say this duty would be the means of largely increasing the output of the New Zealand mines?—Yes.

556. Would there be a large increase in the amount sold from the New Zealand mines?—Yes, as there would be a greater local consumption. A great many people are using the Newcastle coal for household purposes and for steaming, whereas ours is more suitable for use in households. The principal merchants hold this fact out as a lever against the local mines in the matter of price, and we must either supply coal at a certain price or else we must lose the trade.

557. Is the price of coal in this colony fixed by the merchants who import it from Australia or is it fixed by the Union Steamship Company, who have the monopoly of the trade on the West Coast?—It is fixed by the merchants here.

558. In the interests of the coal-mine owners?—In the interests of both; but the merchants use this Newcastle coal as a lever to keep down the price of coal of the whole of the local mines, and they hold this over our heads—that they will be obliged to import Newcastle coal.

559. Are you referring to Auckland now?—Yes.

560. In particular?—Yes.

561. *The Chairman.*] You except coal for gas from duty on the ground that you have no suitable gas-coal in this province: I suppose you are aware of the fact that more gas can be produced from some of the West Coast coals per ton than from the Newcastle coal?—I referred particularly to the Auckland coal only.

562. Why should there be an exception in the favour of coal for gas? Cannot you get coal from Greymouth as cheaply as from Newcastle?—I think so, quite.

563. Therefore, there would be no reason for making an exception?—That is the reason the southern mines are not mentioned.

564. Do you wish to add anything?—I would again say that it is a question of output, and that the price would not be likely to be raised.

(26.) J. A. Rhodes examined.

565. *The Chairman.*] What are you?—A sawmiller and veneer-maker. There is no duty on veneers at present, and I ask for a duty of 1d. per square foot—12in. wide, 12in. long, and $\frac{1}{16}$in. thick.

566. What would be the effect of this duty?—It would give further employment. We have a £500 machine, and the veneer woods can be obtained in the colony.

567. In the case of mahogany veneers, would you not have to import the timbers?—Yes.

568. Could not veneers be imported as cheaply as they could be made here?—No.

569. What timbers in the colony are suitable for veneers?—All the curled timber, such as mottled kauri and mottled totara.

570. Would the duty increase the cost of the article?—It would increase the cost of the imported veneers, which we cannot compete with at the present time.

571. Therefore you would raise your price?—Yes.

572. *Mr. Stevens.*] Do you use rimu and puriri?—Yes.

573. Have you ever tried maire?—Yes, and it makes a beautiful veneer.

574. What quantity of veneering is being imported into the colony?—In Auckland, during the last two years, about 60,000ft.

575. Would not the imposition of 1d. duty on imported veneers increase the price?—Not by one penny.

576. Why?—The price would be the same as it is now, but through the extra quantity required we would got a chance of making a trade.

577. *Mr. Tanner.*] Is it advisable to put a duty on veneers when furniture from Japan is being introduced into the colony at a cheap rate?—Under a duty the furniture-makers would have the alternative of using New Zealand timber.

578. Is it within your knowledge that locally-made furniture is being displaced by imported Victorian and Japanese goods?—It is perfectly true.

(**27.**) Deputation representing the Boot-manufacturers (Thomas Jones, Samuel Green, Thomas Hodgson, and William Henry Hoskins).

579. *The Chairman.*] You are a deputation from the boot trade?

Mr. Hoskins: From the boot-manufacturers. We represent both those in the association and those outside.

580. *Mr. Tanner.*] Are you acting with the operatives in this matter?—We are, to a very large extent.

581. With their consent?—We cannot say that; we are acting for them. I have a resolution to submit which was passed at a meeting of boot-manufacturers held on the 24th April; and Mr. Jones will also hand in a resolution which was passed at a combined meeting of master and operative bootmakers held on the 23rd April. [Resolutions put in.] I also hand in a letter from the president of the Auckland Bootmakers' Union, indorsing the action of the manufacturers, [put in], and the authority for the manufacturers to attend the combined meeting. [Letter from H. Dymock, 20th April, 1895, put in.]

"At a meeting of boot-manufacturers held at Waters's Rooms, Queen Street, on Wednesday evening, the 26th April, the following resolution was carried unanimously: 'That we recommend no alteration in Her Majesty's Customs tariff on boots, shoes, uppers, leathers, and cut leathers.'

"The under-mentioned gentlemen were appointed a deputation to present the resolution before the Commissioners: Messrs. T. Jones, S. Green, T. Hodgson, and W. H. Hoskins."

"Sir,—

"I have the honour of submitting to your Commission that at a combined meeting of master and operative bootmakers, held on the evening of the 23rd instant, in the Harbour Board meeting-room, the following resolution was passed, viz.: 'That this meeting recommends that there be made no alteration in the present tariff on boots and shoes, uppers, and leathers.'

"Thos. Jones, Sen.,

"Major Steward, Chairman, Tariff Commission." "Chairman.

"Dear Sir,— "Auckland, 25th April, 1895.

"I beg to inform you that at a meeting of operatives held on Wednesday last, the action of the committee at the meeting on Monday last was indorsed.

"I am, &c.,

"R. Darlow,

"Mr. Hoskins." "President, Auckland Bootmakers' Union.

"Dear Sir,— "Pollen Street, 20th April, 1895.

"You are invited to attend a meeting of the trade, at the Harbour Board rooms, on Tuesday next, 23rd April, at 7 p.m., to consider what alteration of the tariff is desirable, and to arrange to submit the same to the Tariff Commissioners. "I am, &c.,

"Thomas Hodgson, Esq." "H. Dymock.

Mr. Hodgson: We have the honour to represent five-sixths of the boot-manufactories of Auckland, and our visit this evening is to ask that no advance be made in the present rates of duty, and we would give some reasons why we make this request. We believe, as manufacturers, that the present tariff is ample for the development of this industry. We have during the last ten years made great advances in the manufacture of boots and shoes. We have certainly derived benefit from the present tariff, inasmuch as we now assume that we are making about 80 per cent. of the articles used in the colony as compared with the quantity made locally sixteen years ago. We find that the present cost of importing boots and shoes averages from 33 per cent. to 40 per cent., and we learnt from the boot operatives that it has been proposed to raise the tariff, ranging up to as much as 70 per cent. increase on the present rates of duty. This, we think, would be a very great mistake, inasmuch as such a heavy duty would create a greater competition amongst ourselves, and we regret to say that in many lines of our colonial-made goods there is an internal competition which is doing a greater injury to the trade, and to the operatives, than the importation of many of the boots and shoes. If I might be allowed to make a personal remark with regard to the company I have the honour to represent—viz., the Northern Boot and Shoe Manufacturing Company (Limited)—I would point out that we are also importers of boots and shoes, and have been for a number of years, and we now find that through the improved workmanship of our operatives we are able to compete with many lines in men's and women's goods, and we have ceased to import many of those lines. Our importations are on the decrease, and our business would represent about five times as much in colonial-made goods as in the imported goods. It is our endeavour to still further encourage this local industry, for the special object of which this company was formed thirteen years ago. But we find it necessary, in order to help on that industry, to make use of the imported goods, which have been helpful to us in keeping up the wages of the workmen, inasmuch as so many of our customers generally will buy imported goods and not colonial goods. In booking large orders we have booked many colonial lines, because we have had the opportunity of introducing them when selling imported goods. But we are making such progress in our manufacture, and improvement in our workmanship through the proper training of our apprentices, that we think we are on the right line in endeavouring to meet the outside competition on what we might term a

reasonable basis. It might be thought that it would be to our advantage—I speak now as a manufacturer—to ask for further help in the shape of an increased duty; but we realise at once that a further duty would open up a still greater competition, and we are aware that that would induce a tendency that might have the effect of lowering the present wages of skilled workmen. We also find that in the proposals received from other parts of New Zealand for an increased duty on imported boots and shoes that the advance proposed is very excessive. I have made a calculation in regard to three of the leading lines in men's boots, &c., invoiced at 2s., 5s., and 7s., and on similar lines in women's goods. I conceive that the idea of the workmen is to keep out the cheaper class of goods, and I find that if we wanted to import, say, five hundred pairs of boots at 2s., 5s., or 7s., that we should have to pay at present, on the women's classification, £11 duty on the two-shilling line, and under the proposed advance the duty would amount to £45 15s. On the five-shilling line the present duty would be £27 8s., as against £58 1s., and on the seven-shilling line £38 12s., as against £66 9s. On men's goods of the same number and price the present duty would be £11, as against £70 15s. proposed; £17 8s., as against £83 1s.; and £38 12s., as against £91 9s. It would have been thought that the operatives, being in possession of information like this, would have said, "Let us increase the tariff," because, as a rule, what the workmen are seeking is still further employment, but, as masters, we earnestly think—and many operatives think the same—that with higher duty there would be greater competition amongst ourselves, and, in the end, fewer manufacturers and operatives. We have no wish to see the present tariff altered, either as regards leathers or boots.

Mr. Jones: I should like to refer to the proposals that have been made by southern associations, and that, I think, are to be submitted by the Auckland tanners and curriers. I am a boot-manufacturer solely, and speak as such, and I indorse the opinions of Mr. Hodgson, and so do the men. At the late meeting, at which the resolution was passed which has been already referred to, the men seemed to be of one mind as to keeping the tariff as it is. I think that we should abide by the present tariff. We are building up a trade in New Zealand, and keeping out lines that formerly were largely imported. I am of opinion that the present tariff will be found to be quite sufficient to foster the trade, and that it will work in the best interests of the boot industry. The proposal to raise the duties on leathers, if carried out, would injure us very much, and might drive us to ask for higher duties on boots, or else cause the trade to lose the manufacture of those lines that we are now able to compete in. As representing the boot trade in Auckland, I wish to protest against any proposals to advance the duties on leather. Several of the leathers that advanced duties are asked on cannot be manufactured here, and other leathers cannot be made locally equal in quality to the imported.

Mr. Green: I am a member of the firm of Parker, Green, and Co., and represent both the manufacturers and importers. I indorse all that Mr. Hodgson has said. I have been many years in the boot trade. Twenty years ago we were importing 80 per cent. more than we manufactured. At the present time we are manufacturing 80 per cent. more than we import.

582. *The Chairman.*] That is to say, 80 per cent. of the total quantity of boots and shoes used?—Yes. Many of the lines that were imported years ago are now entirely shut out of the market. I refer to men's lines. The cheaper class of goods only are imported; and on the higher-class goods the present protective duty is quite sufficient to enable us to compete. I think that any advance in the duties will be injurious rather than helpful, both to the manufacturers and the operatives. We also fear that a high tariff would lead to the glutting of our labour market with the operatives at present out of work in Australia, as it would cause a rush of workmen over here.

Mr. Hoskins: The proposed new duties would press very hard on the class that can the least afford to pay them, as they would raise the price of the medium quality goods, used principally by the labouring and middle classes of the colony. Should the price of these goods be raised, although wages might rise, there would be no benefit to the purchaser, as it would take the excess of wages to pay the increased cost of these boots.

583. *The Chairman.*] The representations made by the boot trade of Auckland (both masters and operatives) differ entirely from the recommendations made elsewhere. It was alleged in Christchurch that a quantity of cheap low-class goods is still imported from the Old Country; that they are composed of cardboard, compo., and shoddy, and that they are sold as leather goods. A specially heavy duty on this class of goods was asked. Is there any truth in these representations?

Mr. Hodgson: Nothing like the quantity is imported that there used to be. We are leaving them severely alone, and we find that the public soon discover the shoddy goods and reject them.

584. *The Chairman.*] Then, your answer is that the consumption of the lower-class goods is decreasing?—Yes.

585. And that, as regards the necessity for protecting the public against shoddy articles, the evil is curing itself?—Yes. If we attempt to shut these goods out we shut out also honest-made goods, unless there is a discriminating tariff.

586. You think that the mere question of price will not discriminate?—No.

Mr. Jones: Already there are plenty of colonial goods that are made of shoddy, and equal to anything of the kind in imported goods. This is well known in the trade, and if these boots were shut out we should really be catering for the requirements of the public.

587. *The Chairman.*] Then, notwithstanding what has been said, you are of opinion that human nature is no better in the matter of the boot trade within the colony than it is outside?—That is so. If it is a matter of cheating the public; it will be done here as well as in other countries.

588. And you will not trust the colonial bootmaker any more than the English bootmaker?—No.

Mr. Green: The majority of the imported boots are special lines, or specialties, and are made by firms who manufacture nothing else. It is not likely that they will be manufactured in the colony for many years to come. Many of the low-class goods are felt goods, which is also a

specialty. They are not made here, and by keeping them out we should be depriving the public of those very comfortable articles that are so much appreciated in a sick-room, and are a necessity.

589. *The Chairman.*] Are you aware of any country in the world where a system of combined duties is in force in regard to your trade—*i.e.*, an *ad valorem* duty and a duty at per pair?

Mr. Hodgson: I am under the impression that such a system is in force in America.

590. *The Chairman.*] The tanners and curriers and bootmakers of Canterbury agreed to recommend the following duties on leathers: On cow- and calf-hides, dressed, as kip, 6d.; on buff, 3d.; on sole-leather, 3d.; on basils, 3s. per dozen. These are considerable increases on the present duties. Would you oppose them?

Mr. Jones: Taking basils, it is well known that our great market for basils is the English market, and it seems strange that the tanners should ask for an excessive duty on an article they export so largely in the raw state. We cannot make East India kip here, and we use a large quantity of it; consequently the extra duty would be a heavy handicap to us.

Mr. Hodgson: Colonial kip is largely produced in Auckland, and to advance the duty would not bring in additional revenue, nor would it be an advantage to the tanner under present conditions, for the reason that we do not import English or Australian kip. We also find that the price of the colonial kip is gradually coming down, and I do not know why the tanners ask for the extra 1d. per pound when they do not take advantage of the present protection on kip. Take also colonial calf: In some seasons in New Zealand it is scarce, and we cannot obtain it. That being the case, we think that we should have the alternative of procuring Australian calf. It is not equal to our own, but, then, we have to make use of it. In the interests of the workmen, it would be a pity to impose a duty of 6d. per pound on this leather.

Mr. Glasgow: The principle of a fixed and an *ad valorem* rate of duty is largely used in the United States and in Canada, but I am not sure whether it is applied to the importation of boots and shoes. It is not improbable that it is.

Mr. Tanner: Mr. Jones has spoken against the raising of the duty on East India kip to 2d. The Christchurch proposals say that East India kip in the rough should be free, in order to supply the tanners in the colony with the raw hides, or in a partly dressed state, to be tanned in the colony. Therefore the alternative as against the duty is obtained in the hides being tanned here. Whether the scheme would work is quite another question. I presume that you read the Christchurch proposals in the papers.

Mr. Jones: Our experience of colonial leather-dressing does not encourage us to think that the colonial-dressed kip would be equal to the imported East India kip.

Mr. Green: A tanner informed me that it would be impossible to dress kip here as profitably as in the Old Country—where the bellies and shoulders are utilised—even if we had the hides.

591. *Mr. Tanner.*] Was that an Auckland tanner who said so?—He had arrived from the Old Country.

592. Is he in business here?—Yes.

593. The Commission was assured that the recommendations in regard to the tariff on leather had been submitted to and approved of by the largest tanner in Auckland, although he did not sign them?—Mr. Astley is the name of the gentleman I refer to. He has not been long here from Home. He was employed in one of the largest manufactories, where the manufacture of East India kip was a speciality, and was also in business for himself at Home as a tanner and currier. He told me that it was impossible to utilise the skins here in the same way as was done at Home.

Mr. Hodgson: Mr. Tanner stated that he presumed that we had read the information in the papers in regard to the southern proposals. I wish to state that we are in no way antagonistic to the southern proposals, but that we are simply guided by the recommendations and wishes of the Auckland workmen and the public interest generally.

594. *Mr. Hutchison.*] How was this meeting of working bootmakers called?

Mr. Hoskins: By advertisement.

595. *Mr. Hutchison.*] Did the advertisement state the object of the meeting?—Yes, and we (the manufacturers) were also invited by circular to meet the operatives. The operatives first held a meeting as advertised, and they left it to a committee to send out circulars asking us to meet a committee of the operatives. We then held the combined meeting, at which the first resolution was passed. The following night the operatives held another meeting and passed the second resolution, indorsing the action of the committee.

596. How many operatives were present at that meeting?—We were informed that it was the largest meeting of the kind held in Auckland for three years.

597. That does not convey much information to me?—We cannot give much information respecting the operatives' meeting, because they do not invite us to their meetings.

Mr. Hutchison: This is a matter of very great importance. What you have been saying is entirely from the manufacturers' point of view, and will appear as such, rather than from the operatives' point of view.

Mr. Hoskins: As far as the operatives are concerned, we have only their authority to show for the meeting. They invited us to meet their committee. At that meeting a resolution was passed, and it was further indorsed at another meeting of all the operatives held on the following night.

Mr. Hutchison: It would have been very desirable if some of the operatives had been here to state their own case.

Mr. Hoskins: We were under the impression that they were sending a deputation.

Mr. Hutchison: If they are to do so I do not intend to question you any further.

Mr. Jones: I was chairman of the combined meeting, and the operatives took the matter up without any solicitation from us; they assured us that they had all the authority they required from their society, and I was surprised to find such unanimity amongst them in regard to the present tariff being ample.

598. *Mr. Hutchison.*] Do you refer to the last meeting?—Yes.

599. How many operatives are there in Auckland, Mr. Hoskins?—We represent five hundred operatives.

600. That is to say, you employ five hundred men?—No. The manufactories that we now represent employ five hundred hands—men, boys, and women.

601. Is that a large proportion of the total number employed in this city?—It is at least five-sixths.

Mr. Hodgson: There are a very large number including the retailers.

Mr. Hoskins: We reckon that, taking all the *bonâ fide* bootmakers in the city, there are something like six hundred operatives, and we represent five hundred of them.

602. *Mr. Hutchison.*] What wages are the men making?—The average wage of ordinary weekly hands is £2 5s. per week.

603. *Mr. Tanner.*] Are the majority on weekly wages?—No; piecework.

604. Are there a hundred of the former?—No.

605. What is the average wages of benchmen, taking the year round?

Mr. Hodgson: What we term foremen are paid from £2 5s. to £3 10s. per week. Finishers on piecework average £2 10s. per week; and benchmen, with few exceptions, would average £1 18s. per week. There are some who make £2 per week and a little over. The hours are 44½ per week, as against 48 in the South.

606. *Mr. Hutchison.*] Do the men get constant employment here?—Our men had very little lost time during last year.

607. Are there many now out of work?—Yes.

608. Do you think that trade is satisfactory when a number of men are seeking work, and when the average rate of wages is only £1 18s. per week? You say you are advancing?—No; we cannot say satisfactory when any men are out of work; but we are steadily advancing in boot-manufacture in Auckland.

609. Do you not think that some effort might be made to improve matters?—I do.

610. But you are not making any proposals in that direction?—That is a matter for combined action.

611. Do you think that business is satisfactory under the conditions that you have named?—Business is not satisfactory under present conditions, and is not what we would like to see; but still it must be admitted that the boot and shoe industry has grown in Auckland, and that the number of employés in the shape of apprentices has increased, and these must be counted when I say that they are taking the place of numbers of our journeymen.

612. What does an apprentice learn?—Our trade is divided into four sections—namely, clicking, machining, benching, and finishing; and each department is a trade in itself.

613. So that no man is now taught to make a pair of boots in their entirety?—No; if he wishes to do that he has to go to a bespoke bootmaker.

614. Are not the bespoke makers nearly at an end?—Yes; they find that their trade is interfered with by the factory-work.

Mr. Hoskins: With regard to the number of men out of work, this is largely the result of the late strike. When the strike took place a number of apprentices were taken on in the trade, and before the strike was over our establishments were full of apprentices. Before the strike it was hard to find two men out of work; now, as the result of the employment of so many apprentices, there are more men in the trade than it warrants.

Mr. Hodgson: When we wanted the men to make up the lower-grade work they refused to do it, and we had to put on boys to make up what we call the cheaper work. This brought about the increased number of apprentices.

615. *Mr. Stevens.*] You stated that if the duty were increased the internal competition would be greater: has that been the result in Victoria?—Yes.

616. Is the boot trade very much depressed in Victoria at present?—Yes. I was in Victoria in September last. I saw all the leading factories, and I was sorry to find so many men walking about unable to get work. The manufacturers themselves said that they never knew before of the trade being in such an unsatisfactory condition, and with so many men out of work. They told me that they were clearing very little per week, and since then I have noticed that they have waited upon the Premier, asking for assistance. He replied that he could do nothing to help them.

617. Has not that state of things been brought about by over-production?—Yes; partly by over-production, and partly by bringing in the competition of Polish Jews, who are largely employed in Victoria and New South Wales making up inferior goods to compete with factory-work.

618. Are not some of the cheapest class of boots imported from Germany?—The goods imported from Germany are chiefly evening-shoes, and they are got up in a very artistic style.

619. We have evidence to the effect that one of the causes of the depression in the boot trade is on account of the cheap class of boots that are made in German prisons, and are exported through Great Britain to the colony as English-made goods: is there any truth in that?—I have no evidence to that effect, nor have I seen any such goods.

620. It has also been stated that the very cheapest class of boots are made largely of brown paper, and that they can be bought from 3s. 6d. per pair, whereas a good colonial-made, woman's boot costs 5s.?

Mr. Jones: Compo. goods are a composition of leather cuttings compressed. I am very much against any shoddy stuff; still, I do know that this composition is used for the inner soles, and they will last as long as the uppers; therefore there is no waste or loss.

621. *Mr. Stevens.*] Have you ever seen any goods made entirely of brown paper with the exception of the sole?—No.

622. Do you think it would be an injustice to anybody if an increased duty were put on the class of goods I have attempted to describe?

Mr. Hodgson: Yes; because while we would not reach the lower class, or shoddy, goods we would shut out all the finer goods. Supposing the invoice price of a pair of boots with brown-paper heels was 3s. 6d., the proposed duties would very considerably increase the price of those boots; and in the case of ladies' prunella slippers, evening-shoes, or ladies' house-boots, invoiced also at 3s. 6d., such goods would be shut out, and we are not making them here, nor cannot for some time to come without extra cost to the wearer.

623. *Mr. Stevens.*] But a slipper is not a boot, and the extra duty would enable the better class of slippers to be imported, and would prevent the importers from absolutely cheating the public if a somewhat higher duty were placed on the very inferior articles?

Mr. Hodgson: But at present the recommendations that have come before the Commission from our southern friends do not touch upon that class of goods in particular; their proposals deal with boots and shoes in general, from a value of 2s. per pair and upwards, without regard to any particular class, and no matter what manner of boot it is.

(28.) Deputation from the Knights of Labour (Robert Salmon, Master Workman; H. W. Dixon, A. Marshall, Knights of Labour; and F. M. King, Secretary).

624. *The Chairman.*] You gentlemen represent the organization known as the Knights of Labour.

Mr. King: Yes.

625. *The Chairman.*] What is your membership in Auckland?—We do not wish it made known.

626. What representations do you wish to make?—The tariff question has been discussed amongst the Knights of Labour, and we have placed our views in writing in a statement, which I will read:—

"Knights of Labour, Pioneer Assembly 2084, Auckland, March, 1895.

"Gentlemen,—

"Recognising the vital importance of the equitable adjustment of the tariff, we desire to place before you some considerations regarding the effects of certain duties which we think might be reduced or abolished in such a way as to give great relief to the people without injury to the public revenue.

"While indorsing the general principle that all goods which cannot be produced in the country should be admitted free of tax, there are three items of large and universal consumption which we desire to call your special attention to—viz., tea, kerosene, and barbed fencing-wire. The statistics of New Zealand for 1893 show that in that year the people were taxed on these items as follows:—

	Value.	Rate of Duty.	Amount of Duty.
"Tea	£164,360	6d. per pound	£102,096
Kerosene	£46,844	6d. per gallon	£35,704
Fencing-wire (barbed) ...	£78,248	...	£10,611

"These figures show that the percentage of taxation on our tea is about 62 per cent., on our kerosene 76 per cent., and on our fencing-wire 13 per cent.

"We would point out that the duty on tea is specially hard on the poor, whose sole beverage it often is, and that it is most iniquitous in its operation, as it causes the poor to pay on the inferior tea, which their poverty compels them to buy, a far higher percentage than is paid by the rich on first-class tea.

"Against the tax on kerosene we would urge that a tax on light is a grievous hardship to the poor, and that it is only worthy of the bad old times when the windows in a man's house were counted by the tax-gatherer, and the daylight had to be paid for accordingly. The duty on kerosene is almost solely paid by that class of the community which is least able to afford it—viz., the farmers and those who by necessity are compelled to toil for the lowest wages.

"The tax on fencing-wire is essentially a tax on improvements, and distinctly injurious to settlement, and contrary to the declared principles of the Government.

"We therefore venture to suggest that the tax on fencing-wire should be abolished altogether; that kerosene should be taxed 3d. instead of 6d. per gallon; and tea 5d. instead of 6d. per pound. The loss thus caused to the revenue would amount to £10,611 on fencing-wire, £17,852 on kerosene, £17,016 on tea; total, £45,479. But the gain to the public would be considerably more than this, as the actual amount paid through the Customs is considerably increased to the consumer by the merchants' interest on cash advanced for duty, and by the retailers' profit on the increased cost.

"We may safely assume that the purchasing-power of the general public would thus be largely increased, to the great mutual benefit of all.

"To recoup the loss thus caused to the revenue, we suggest that the present exemptions under the land-tax should be abolished. We learn from the 'Report on the Land-tax' (Appendices to Journals of House of Representatives, vol. i., paper B.–20A, 1892) that the value exempted may be estimated as follows: 76,399 owners, of less than £500 unimproved value, hold £8,621,360; 6,822 owners, of from £500 to £1,000 unimproved value, and 2,473 owners (estimated), from £1,000 to £1,500 unimproved value, hold £4,697,500: total, £13,318,860. If the exemption were abolished this would yield, at 1d. in the pound, the sum of £55,495, thus fully recouping the loss to the revenue, with a margin of £10,000 for any possible error in our estimate.

"The change in the incidence of taxation thus effected would result approximately as follows: Taking the population at 700,000, as representing 140,000 families of five persons each, the gain would be about 7s. 6d. per family. The 76,399 owners of land less than £500 in unimproved value would pay an average of 9s. 5d. each, and the 9,395 owners of land from £500 to £1,500 in unimproved value would pay an average of £2 1s. 6d. each. If it is argued that this would be unjust to the landowners, we would point out that while the relief from taxation, and consequently

increased purchasing-power, would benefit the whole community, and give an impetus to commerce and industry, they (the landowners) would benefit in a special manner, because they are the only ones whose property would be actually increased in value by the increased prosperity, and that they would be more than recompensed.

"It appears to us contrary to all principles of justice that the people should be taxed from 62 to 76 per cent. on tea and kerosene in order that more than thirteen million pounds' worth of land should be held free of any duty. The farmers would gain directly by having their fencing free, and still more indirectly by raising the purchasing-power of the general public, who, by reason of the cheapening of their tea and kerosene, would be able to buy from the farmer more butter, bacon, fruits, vegetables, &c., and the increased demand for these articles would increase the demand for labour to produce them.

"Hoping that these arguments may meet with your favourable consideration,

"We are, &c.,

"For the PIONEER ASSEMBLY, KNIGHTS OF LABOUR,

"The Tariff Commissioners." "ROBERT SALMON, M.W.

Mr. Salmon: I do not wish to add anything.

627. *The Chairman.*] You represent, and not unnaturally, that the system of assessing duty at per pound of necessity makes the tax fall more heavily on the low-priced tea. How would it suit your purpose if, instead of a duty at per pound, an *ad valorem* duty were levied, as follows: On tea valued at 6d. per pound (if the duty were 50 per cent. *ad valorem*) the duty would amount to 3d.; on tea costing 1s. per pound the duty would come to 6d., and so on; so that the consumers of the lower-priced teas would pay a less amount per pound than under the duty you name?

Mr. King: The Knights of Labour, at the last meeting, were of the opinion that the duty should not be raised on anything not produced in the colony.

628. *The Chairman.*] Then, you are content to accept a duty of 5d. per pound on tea as a fair compromise between your view and what would be to the interests of the colony; but I would ask you whether you do not consider that the case of tea would be better met by an *ad valorem* rate of duty, which would amount to 3d. or 4½d. per pound on the tea used by the persons you wish to relieve?—Yes, provided that the *ad valorem* duty would not so affect the amount of revenue derived from tea as to raise the amount we should have to provide from other sources.

The Chairman: No doubt your suggestion regarding fencing-wire is in the interest of the settlers generally.

Mr. Glasgow: The figures quoted by Mr. King embrace the duty on all fencing-wire, whether barbed or otherwise. The duty collected on barbed fencing-wire only was £3,706 in 1893.

629. *The Chairman.*] Do you mean to include the plain wire, Mr. King?—Yes.

The Chairman: The proposals you make for raising the same amount of revenue by means of another tax (although the suggestion comes very fairly from you) do not strictly apply to the tariff. It is a political question, and to consider any scheme for recouping the revenue other than through the Customs tariff would be outside the scope of this Commission.

630. *Mr. Stevens.*] Do you think that the imposition of an *ad valorem* duty on tea, in the place of a duty at per pound, would lead to the importation of inferior teas (being cheap they must be inferior)?

Mr. King: I certainly think that it would, but we cannot tell what the effect of Customs duties will be until they are in operation. The public generally would buy the cheaper tea, because they wish to live cheaply.

631. *Mr. McGowan.*] You advance in your written paper the desirability of relieving the poorer classes of the heavy duty that they have to pay on their tea as compared with other classes of the community, but would the reduction of this particular duty improve the position of the class you refer to?—No; we are entirely opposed to all taxation.

632. I am not asking you what you are opposed to. Would this reduction in duty alter the position of those people?—Yes.

632A. Would not they still have to pay their percentage of the duty?—Yes.

633. If they liked to buy the poor tea they would get it cheap, and if they wanted the better tea they would have to pay more for it: is not that so?—Yes.

634. Do you think that it tends to increase the value of land to tax it?—No; but we have to pay heavily for the use of land, therefore a tax would bring the price of the land down, and so benefit the people.

635. But you stated that the landowner would benefit by the increase in the value of the land?—The purchaser would benefit by the price of land being reduced.

636. Do you really think that putting a tax upon land tends to increase its value?—Yes; its "using" value, but not its selling-value.

637. Are the Knights of Labour a political body?—No.

638. Do the Knights of Labour not take a pretty strong part in political matters?

Mr. Dixon: Under certain circumstances they do.

Mr. Hutchison: I am delighted that my brother Knights of Labour brought in this statement. I have the honour to be a Knight of Labour myself, but I am afraid that I cannot agree to the proposal, although it is made in a very excellent spirit. I refer to the duty on tea. It is an anomaly to make the poor pay more than the rich for tea, but a reduction of 1d. per pound is of no use. The retail dealers and merchants will get the whole benefit of the penny, and, unless the reduction is more than 1d., the poor will derive no benefit. I have nothing further to say.

Mr. Dixon: We did not wish to ask for too much, because if you do you generally get a back kick and nothing at all.

639. *Mr. Mackenzie.*] I understand that you want to make the land-tax yield all loss that arises from these reductions in the Customs duties?

Mr. King: Yes. There are now thirteen million pounds' worth of land which contributes no revenue, and we think that those people who use this amount of land should certainly contribute something to the maintenance of this colony, seeing that we, the working-men, have to pay duty on what we consume. We also think that if this tax is placed upon land that the owners are entitled to be relieved of duty on the articles they mostly require; and on looking through the tariff we find that tea, kerosene, and fencing-wire are, perhaps, the three articles from which the removal of the duty would most benefit them.

640. *Mr. Mackenzie.*] You say that land of the value of £13,000,000 does not contribute revenue, and that the workers have to pay duty on what they use; but have not the farmers to pay duty on what they use, and heavy rates as well?—Certainly, but the workers have to pay the increased prices of the merchants and storekeepers when those prices are raised by reason of the duties.

641. But that applies equally to the farmers?—Yes; but we wish to benefit the farmer by raising the revenue from the land, and by remitting certain duties on the articles he consumes.

641A. But you will have a difficult job to make the farmer appreciate that benefit. But why select land only to make up loss? Why not include those incomes derived from accumulated capital which are now free?—Because we are of opinion that almost all income raised from accumulted capital is simply based upon land-values.

642. If I put £7,000 into the bank just now, at 4½ per cent., is that income based upon land-values?—Certainly. That bank will immediately lend the money out upon mortgage on land, as a rule.

643. Advancing for trade and commerce is banking and not mortgaging. Reverting to the taxation question, you therefore think that the man who has £7,000 now lying in the bank (he may be a bachelor), and from which he receives £300 a year, should pay no taxation, whereas a man with a farm worth £300 only, and out of which he has to keep a struggling family and make improvements, should bear the taxation?—It looks an anomaly on the face of it, but if you inquire into the matter deeper you will find that that very struggling farmer has to pay something for a mortgage to this man who has the money lying in the bank. We propose to put the tax on the unimproved value of land, and on land that is at present not in use, and which will bear more improvements.

643A. As the only land now exempt from land-tax is that held by the poorer classes, your programme would reach them only. All will enjoy the exemptions, and will make the farmers pay the loss.

643B. What do you know about unimproved values?—I think I know a little; I do not know much.

644. What improvements could you put upon a lot of the poor hill country in this colony?—Not much.

645. Then, if a man has a hill farm worth £1,000, upon which he can put no improvements, and another man has got a very much improved freehold farm on a flat, which is also worth £1,000, and the unimproved value of which is £200, but upon which he has eight hundred pounds' worth of improvements, you would tax the latter only up to £200, although he might reap quite as much or more income than the man who has the poor hill farm: is that so?—I cannot understand a poor hill farm producing as much as the farm on the fertile flat.

646. The question is, What can be done to the hill farm in the shape of improvements? Why base your values upon improvements?—No, upon unimproved values. The unimproved value which is given to land is not given by labour; it is given by the presence of the community.

647. Is it?—Certainly. Take a hill farm, and supposing fifty thousand people were to go and live on that hill upon which the farm is situate, the value of that hill farm would be raised.

648. But you are going to tax New Zealand as it is, and, on the basis of values, you must take the land as it is: we want facts. Does the presence of population at the present time enhance the value of our agricultural lands?—Certainly.

649. In what way?—We can only go by comparison, and if all the people in New Zealand were to go to Australia the value of land would absolutely drop. Therefore, if a large number were to come here, it would raise the value of land; consequently the presence of the community must increase the land-values.

650. You are supposing a case that is not likely to occur. We are taking the colony as it is at present. Are you aware that the prices of our products are not determined by the presence of population here, but by what we can get for them in the markets of the world?—That is supposed to be so; but at the same time that we have our ships laden with frozen mutton and lying in London we have two hundred unemployed starving men in Auckland.

651. If you wish to sell sheep in New Zealand, what is the basis of the value of your sheep?—I should say, what you could get for them.

652. Is the value regulated by the demand for mutton consumed in New Zealand?—Certainly.

653. Or by what you can get for the mutton in the London market, less charges?

Mr. Dixon: The local value is regulated by the demand in the locality.

654. *Mr. Mackenzie.*] You think that that guides the value of the sheep here?—Yes.

655. I suppose you are aware that we do not tax articles of export in New Zealand?

Mr. Hutchison: Is this discussion in order?

Mr. Mackenzie: It is all very well for Mr. Hutchison to interject; but we are not going on our bellies to crawl to organizations.

Mr. King: We do not want the gentleman to crawl to our organization.

Mr. Hutchison: I will not submit to Mr. Mackenzie's remark, and I submit that he is not in order in the line of examination he is making.

Mr. Mackenzie: My remarks were doubtless too severe, but Mr. Hutchison's constant ejaculations were intensely irritating. I submit that I am in order in my line of cross-examination. Mr.

Hutchison has given his ideas upon the subject, and I am trying to get the points of the proposals and at their effects. I am sure that the deputation do not at all object to the line of examination that I am taking in ascertaining their views on land-values. I submit that my remarks are thoroughly within the scope of the Commission.

Mr. Hutchison: I submit that this discussion about land-values is not within our province as a Commission, and, although these gentlemen are perfectly willing to go into the matter, it is simply a waste of time, so far as we are concerned.

The Chairman: I have already pointed out to the deputation that so far as this suggestion with regard to land-tax is concerned it is a political question, and one of a very much broader character than comes within the scope of the tariff, and that the Commission would not be able to make any specific recommendations on it. It will simply appear in the evidence as a suggestion as to the manner of meeting the deficit in case their suggested amendments in the tariff were carried out, and I think that, as we shall not be able to report upon the suggestion, it is not worth while extending it to the extent that Mr. Mackenzie feels disposed to do. Personally, I am very much interested in the question.

Mr. Mackenzie: As I understand the position, it is this: A scheme is brought down to re-adjust the tariff, and the deficiency is to be made up from the land. I should therefore think that it is our right to go into the bearing of the whole question.

The Chairman: But that should only be discussed amongst ourselves, supposing that we were going to make a recommendation to this effect. A suggestion has been made in all good faith by the deputation whereby, if their wishes with regard to taxation were agreed to, any loss in the revenue would be made up; but, so far as the suggestion is concerned, it is quite beyond the scope of the Commission to deal with it. It seems to me to be a political question altogether outside the tariff.

Mr. Tanner: We could not possibly include in our recommendations to the Government any suggestion for an increase of taxation, or otherwise, other than through the Customs duties.

Mr. Dixon: I think that Mr. Mackenzie has cross-examined us with the idea of showing that we are a set of ignoramuses, and know nothing about what we are trying to bring before the Commission; that we have no ideas of our own, but that we obtained them from somebody else.

Mr. Salmon: I think that Mr. Mackenzie has gone a little outside the matter that we have come to discuss, but we would be quite willing to give him an evening in order to discuss the question of land-values.

The Chairman: You yourselves went outside the matter when you raised a question outside the tariff; and, seeing that you commenced to go off the rails, other people felt disposed to do so too.

Mr. Hutchison: I think that it was quite natural for the gentlemen to make a suggestion; but I thought that it could not be discussed by us, because it was beyond the tariff.

The Chairman: We should not arrive at anything by discussing the suggestion with these gentlemen.

Mr. Hutchison: But Mr. Mackenzie is quite delighted to go into the question.

Mr. Salmon: We should be very pleased to give an evening to Mr. Mackenzie.

Mr. Mackenzie: The fact is that I am in a minority, and whenever a question of this nature comes up I am not only overborne by some of the members of this Commission, but also by those who come to give evidence. I think that the remarks made by one member of the deputation that I wished to show that they were ignoramuses cannot be borne out by a single line of my cross-examination.

Mr. Tanner: I think that Mr. Mackenzie is mistaken in fancying that he is in a minority, seeing that he has always voted up to the present time on the Commission with the majority.

The Chairman: Do you wish to proceed, Mr. Mackenzie?

Mr. Mackenzie: Certainly not. I have been stopped in my line of examination, and I think that I should have been permitted to go on. [The deputation withdrew.]

(29.) Deputation from Boot-manufacturers, with reference to the Duties on Imported Machinery (Thomas Prosser; George Alexander Coles; George Foster; and Joseph King, representing the Auckland Co-operative Boot-manufacturing Society).

656. *The Chairman.*] Will you kindly state the matter you appear on?

Mr. Coles: We are of opinion that there should be no increase in the tariff on boots, but that further assistance should be given to the trade by admitting machinery free of duty, and also the other articles used by us, and which are at present subject to duty. The Auckland boot-manufacturers think that any increase would be detrimental to the trade, and unjust and unfair to the agricultural interests, and to the general public. That the trade does require assistance is shown by the large number of articles imported for our use, and which cannot be made in the colony. Auckland has a large Native population, and also a population of gum-diggers, who require the cheaper class of goods, and consequently we have a special trade to cater for. We therefore consider that machinery which cannot be made in the colony should be free of duty, and its free admission would be of great benefit to our trade.

657. You say that this boot-making machinery cannot be made in the colony?—No. We also ask that bootmakers' sundries and trimmings should be free. A few years ago, to a very large extent, these articles were free, but by the Commissioner's decisions they are now all dutiable. In this district there is also a very large demand for canvas shoes, but the canvas we use in the manufacture pays duty at the rate of 10 per cent. We ask that it should be free. It can be distinguished from ordinary canvas. We ask that striped-check lining, for bootmakers' purposes, should be free: it now pays 20 per cent. Slipper-cloth, and velveteen for making

slippers, is charged 10 per cent. as cottton piece-goods. Silk for boot-lining is also dutiable. It would assist us greatly if all these items were free of duty.

658. *Mr. Glasgow.*] Is the canvas that you refer to what is known as "duck"?—No, the regular canvas; cotton duck comes in free.

Mr. Glasgow: The tariff exempts sail-cloth only.

Mr. Prosser: I wish to call attention to one matter. Wooden heels used in light shoes have to be imported. They cannot be made in the colony; but the tariff places them under the 20-per-cent. duty. We ask that they should be free.

659. *The Chairman.*] With regard to the duties on leathers, are you content with the present duties, and do you wish them to remain concurrently with the present duties on boots and shoes, or would you be willing to have increased duties on some classes of leathers?

Mr. Coles: This is a most vital question to us as boot-manufacturers, and we are quite prepared to work under the present tariff on boots if the present tariff on leathers is also maintained; but if the tanners wish an advance in the leather duties, then we shall have to ask for an advance of the tariff on boots.

(30.) Charles George Davis examined.

660. *The Chairman.*] What are you?—A glue- and size-manufacturer.

661. How long have you been carrying on this business?—I have been here about ten years, and have no assistants in the business.

662. What do you ask?—I ask for a heavier duty on the imported glue and size, in order to keep out the French and German glue, which is an inferior article to what I am making or to the English make. The French glue is several pounds a ton cheaper than the English glue. I ask for a duty of 3d. per pound, the present duty being 1½d. I produce sample of my glue. The imported glue is a better-looking article than mine, but is not so useful to the consumer. I can sell mine at £2 per hundredweight.

663. What is the price of the French glue that you complain of?—I do not know.

664. Do you know the price of the imported English glue?—No.

665. How do you know that you want any protection at all?—Simply because the French glue is sold in preference to mine, and an importer told me that while that glue is brought in, the shops will not push the colonial make at all.

666. Why cannot you produce an article that looks as well as the imported?—I do not understand the French system of making glue; but I know the English system, and although our glue does not look so well it is the best for use.

(31.) William Parkinson examined.

667. *The Chairman.*] What do you wish to represent?—I am a marble monumental mason, in business in Auckland, in Victoria Street West. I have been two years in business on my own account and twelve years in the trade. I have sent in a request, signed by other members of the trade—viz., Messrs. Buchanan, Thomas, Bouskill, and McNab, who are all marble masons and importers. We ask that the duty should be taken off the imported stone marble, as it is the raw material used in our trade. It cannot be obtained in the colony.

668. Not at Caswell Sound?—That marble has never been offered for sale in Auckland. The tariff reads that marble stone dressed on not more than two sides should pay 5 per cent. duty. We consider that duty an injustice; but there is a greater injustice still, because, if the square monuments and thick stones are sawn on more than two sides the Customs hold them to be finished work, and charge us 20 per cent., and we cannot compete. We ask that the duty should be removed altogether from all sawn marble.

669. *Mr. Hutchison.*] Why do you import it other than in the manner mentioned in the tariff?—Because we cannot saw it here. A plant for the sawing of marble was erected many years ago in Auckland, but the industry was crippled. In order to get the marble to saw they had to import it in tremendous blocks, weighing, perhaps, 12 tons, and the freight and landing charges on these blocks cost more than the sawing.

670. Do you want the duty taken off the finished marble, too?—No; the only marble that should pay duty is the marble that is polished.

671. *Mr. McGowan.*] Does the importation of finished marble from Italy affect your business here?—We are importers, and if we wish to keep our business going it takes a certain number of hands to work it. We wish to do all the work we can, but there are certain branches of the trade we cannot hope to do anything with.

672. Do you import direct from the marble quarries or do you import through any house?—The usual plan is to indent, but we do not clearly know from whom we get our marble. We are told that it comes from the quarries direct, but we do not believe it.

(32.) John Creamer examined.

673. *The Chairman.*] What are you?—I represent the tobacco-workers.

674. Are you deputed to attend?—Yes; by a number of people who are at present out of work.

675. What do you wish to state?—There was a concession granted a few years ago to the tobacco-manufacturers, and an excise duty of 6d. was placed on the raw leaf grown in the colony. This excise lasted for two years and a half, and during that time things went along very well in the tobacco industry.

676. Do you mean by the term "concession" that the excise was 6d. less than the imported duty?—The duty on the imported manufactured article was 6d. more than the duty on the raw material grown here, and during that time the Auckland factory employed one hundred hands; now it does not employ any.

677. Does the concession cease to operate now?—Yes; and we want that concession to be renewed. It was a concession of 6d. in the excise in favour of the locally-grown leaf.

678. That is to say, that tobacco made from New-Zealand-grown leaf would pay 6d. per pound less excise than tobacco manufactured here from the imported leaf?—Yes.

679. For how long do you want the concession renewed?—For all time.

680. What has been the effect of the withdrawal of that concession on the tobacco industry?—In this one factory alone it threw out of employment one hundred hands.

681. Has it stopped the growing of tobacco in the colony?—There never was much tobacco grown here, as the farmers are not taking the matter up.

682. How did it happen that these hundred hands were thrown out of employment by the withdrawal of the concession?—As the tariff at present stands, imported cigars pay the same duty per pound as the imported raw leaf out of which these cigars are made; therefore there is no margin to induce manufacturers to make them up.

683. Therefore there is no difference between the manufactured leaf and the unmanufactured tobacco?—No.

(**33.**) Mr. Hall re-examined. (See page 105.)

684. *The Chairman.*] What do you wish to say?—I appear again with reference to the duty on imported bolts and nuts, and I wish to say, if the proposal you mentioned to me is agreed to—namely, to admit free all bolts up to 7in. in length—it would practically kill my trade. I make the smaller bolts from ¼in. upwards, and I apply for an increased *ad valorem* duty. As a case in point, I might mention that after the present duty was imposed the tender for the Cuvier Island light-house was obtained by Mr. Beaney. My quotation for the bolts and nuts to Mr. Beaney was £1 6s. per hundredweight. He informed me that he could get them for £1 2s. 6d. in Sydney, but, by reason of the 20-per-cent. duty, I got the order, which amounted to a ton and a half of bolts. I have had many orders since then simply through this duty.

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(**34.**) Arthur M. Myers examined.

685. *The Chairman.*] What are you?—Manager for Ehrenfried Brothers, brewers and wine and spirit merchants, Auckland.

686. What do you ask?—The present duty on imported malt is 2s. per bushel, but we import the glutenised rice malt [sample produced], and there is a difficulty in getting the Customs to charge a uniform duty on this rice malt. We are not allowed 37lb. to the bushel of malt, and we ask that a larger weight should be allowed to go to a bushel. If we import ordinary malt in a 400-gallon tank, 8 gallons are allowed to the bushel; but if that tank were filled it would hold 50 bushels. Some Customs officers allow a tank to come in as 50 bushels, while others say that it should be 60 or 62 bushels. The consequence is that there is no uniform rate of duty charged by the Customs.

687. You ask that 8 gallons of this glutenised rice malt should be allowed to the bushel?—Yes. We ask, in a few words, that, instead of being charged duty as at present on 37lb. to the bushel in the case of the glutenised rice malt, we should be allowed, say, 42lb. weight to the bushel, which is the quantity allowed by the Customs at Home. We would like it definitely decided that 8 gallons should go to the bushel, which is the correct standard measure. Last season a Customs agent informed me that he had to pay duty on as much as 60lb. to the bushel.

688. Is not your request a request as to weight, and not as to measurement?—We ask that a 400-gallon tank should be estimated to contain 50 bushels.

689. Is there any other matter?—Yes; the duty on imported horses. A very large trade has grown up in imported horses from Australia, to the injury of the majority of the farmers of this colony, who complain most bitterly that they have to sacrifice their horses, which at one time they looked upon as a source of profit. In Auckland particularly this is a matter of much importance, and I suggest that a substantial duty should be placed on imported horses. One thousand horses have been imported into Auckland from Australia during the last few years.

690. *Mr. Stevens.*] What amount of duty do you propose?—A duty of £5 per head.

691. Would not that in some cases be equal to an *ad valorem* duty of 50 per cent.?—Yes.

(**35.**) Michael Cook examined.

692. *The Chairman.*] What are you?—A glass-manufacturer. I have been in business since 1880.

693. What glass do you manufacture?—Lamp-ware, jam- and fruit-jars, confectioners' jars, water-bottles and jugs, fish-globes, cruet-ware, tumblers, &c.

694. Do you employ much labour?—My own family only.

695. What do you ask?—Owing to the present light tariff we are not able to compete with imported glassware. The present tariff is 15 per cent. *ad valorem*, and I ask for 25 per cent., in order to give us an advantage over the imported.

696. If that duty were imposed, would it not raise the price of your goods all round?—I have lowered the price of goods since I have been in business by 50 per cent., and my selling-price for glassware is not half what it was when I started.

697. Of course, it follows that if your prices do not pay you now that you want to raise them a little?—Yes, in order to obtain sufficient output.

698. If the price were raised by 10 per cent., could you then manage to live?—I could make a living at the present price if I could keep out the imported goods. I am not a prohibitionist for keeping out all classes of imported goods, but if I had all the local work in one or two lines that

would keep our works going. The increased duty would not increase the price, but would be the means of extending our business.

699. Can you name any line that you want protected in particular?—Jam-jars for private household use, but not for use in factories.

700. How could you distinguish between the two?—The jam-manufacturers import their own.

701. Would you allow jam-manufacturers to import their jam-jars at the present duty?—I think that they should be allowed to get them cheaply. I would not ask for a duty on all the lamp-ware, because it would require a larger factory than ours to make it. We want the increased duty on imported lamp-chimneys, confectioners' ware, jam-jars, and water-jugs imported from Austria and Germany. These four lines would keep us going. Four hundred and ninety cases (sixty gross in a case) of these goods arrived here in two ships lately. At Parengarenga there is good sand, suitable for the best glass-making in the world, but we are unable to procure it, because the Maoris will not let us take it. Another man has some sand near the Natives, and when we were procuring the sand from them this man told the Natives that the sand was worth £10 per ton; so they stopped selling to me, and that price was prohibitive.

702. *Mr. Tanner.*] Did he do this with a view of selling his own?—Yes.

703. *The Chairman.*] Why will he not sell to you?—His sand is not good enough for our purpose when we can get better.

704. Where do you import sand from now?—Sydney.

705. What other articles do you use?—Soda and pearl ash and red-lead, all of which we import from England.

706. Is not the soda or pearl ash manufactured in the colony?—No.

707. If that difficulty with the Maoris were removed, would it not assist your industry?—Not very much, as we can get the sand cheaper from Sydney, owing to the cheap freights. Captain Fairchild brings me a bag sometimes from Parengarenga.

708. Do you claim to produce as good glassware as can be imported?—Much better than some of the German goods, and we can easily make whatever quality we like. I do not make the lime glass, which is of inferior quality.

709. *Mr. McGowan.*] Have you the material for manufacturing the bottle-glass?—No; the sand used for lime purposes makes bottle-glass.

710. If you had the material, could you produce bottle ware at a reasonable rate?—No.

711. Have you ever tried to produce sheet-glass?—No.

712. I suppose that you have never attempted to make the small glassware, such as the pressed glass?—Yes; I have made pressed tumblers and salts, but I could not get 1s. 3d. per dozen for the latter. They are the best common salts in the market.

713. Have you ever found any difficulty here in the tempering?—Yes; if you get the kiln a little too hot the glass melts, and if the kiln is a little too cold the glass cracks. The matter requires experience and attention. Yesterday we had a dozen articles cracked owing to inattention.

714. Does not the English-manufactured glassware for confectioners' use, as a rule, stand better than the locally made?—I challenge mine with any other make in any part of the world. My glassware is tempered upon the old principle in use before any patent kilns came into use. Glass will not crack if it is well tempered.

715. *Mr. Hutchison.*] If an article is cracked in the kiln, I suppose that it is melted down again?—Yes; it goes into the kiln as broken glass, and is melted again.

716. *Mr. Tanner.*] Do you think that there is any chance of ultimate success in your industry when you require to import all the materials you use—the sand from Sydney, soda and pearl ash from England?—Yes.

717. In addition, have you not to pay duties on some of your materials?—No; we are exempt.

718. Do you sign a statement that the articles are imported solely for manufacturing purposes or obtain a rebate?—The articles are invoiced as "imported for glassware manufacture," and no duty is imposed.

719. What is the annual output of your factory as regards value?—£750.

720. Where do you dispose of your stock?—In Auckland principally, but I also send some away.

721. Do you suffer any difficulty in exporting from Auckland on account of the high rates of freight?—The railway freights are the heaviest handicap, but we have got a reduction in them.

722. But that railway-freight concession only applies to the Auckland Province?—Yes.

723. Have you obtained any reduction in the South for the carriage of your goods?—We know that there is a reduction, but we never send quantities all over the colony.

(36.) Deputation from the Photographic Profession (J. R. Hanna and George Gregory).

724. *The Chairman.*] Do you gentlemen appear on your own behalf or do you represent the photographers of Auckland generally?

Mr. Hanna: We represent the trade.

725. *The Chairman.*] In other towns the photographers have asked that all sensitized surfaces required in photography should be free: would that arrangement cover your request?—Yes.

726. The question of photographic enlargements and views of New Zealand scenery executed abroad from plates taken in the colony has also been brought before the Commission, and in regard to both these items it has been asked that a substantial duty should be imposed on the imported finished work: do you agree to that?—Yes.

727. We have been asked to place photographic mounts on the free-list: do you advance a similar request?—Yes. They cannot be made in the colony. We agree with the recommendations made to you in regard to these three points, and we have nothing further to add.

(**37.**) J. J. Craig examined.

728. *The Chairman.*] What are you, Mr. Craig?—A coal, cement, and lime merchant. I wish my evidence kept private.

729. Of course, the Commission has to report to Parliament, and the evidence will be laid before the House?—I am satisfied with that.

730. What is the subject that you wish to bring under our notice?—The question of the cement industry.

731. Are you a cement-manufacturer?—No; lime. I notice that the southern cement people are agitating for an extra duty of 2s. upon imported cement. If this duty were imposed I think it would mean a great loss to the country. Cement should come in free of duty, on the following grounds; there is a boycott going on now in the local cement trade. Briscoe and Co. secured a contract for supplying locally-made cement to the Government—at Dunedin—under the following circumstances. The Railway Department called for tenders, and Messrs. Briscoe and Co. obtained a quotation for locally-made cement from the Milburn Lime and Cement Company. The tenders were, however, returned unopened, and the Public Works Department then called for fresh tenders. On this occasion Briscoe and Co. did not ask the Milburn people for a price, but Briscoe's tender was finally accepted by the Government; and they are now being boycotted by both the Auckland Cement Company and by the Milburn Company. Being in a hole, Briscoe and Co. wired to Mr. Fenwick, Manager at Morrin and Co.'s, Auckland, to get cement from Wilson, of the Auckland Cement Company, for them, and the latter supplied the cement, which was thereupon shipped to Briscoe and Co. When this shipment arrived at Dunedin the Milburn Company kicked up a row, and thought that they would try to block Briscoe and Co. Oakden came to Auckland, I believe from Sydney, and arranged with Wilson that nobody should be supplied with cement for any port south of Napier, including the Government contract referred to. This arrangement was put in writing. I believe Mr. Fenwick, of Morrin and Co., ordered more cement from Wilson, but his company refused to supply it, I believe. Having business with Mr. Fenwick, of Morrin and Co., I was told the facts of the case, and I told him that I thought I could get him out of the difficulty. He showed me a lot of correspondence, which indicated that a clear boycott was being worked, and if necessary I could get this correspondence.

732. Why has this boycott been organized?—The two local companies want to divide the trade of New Zealand between them—the South Island for the Milburn Company, and the North Island for the Auckland Cement Works, which are run by Mr. Wilson.

733. *Mr. Tanner.*] Is that agreement in writing?—I believe it is, but I have not seen it. Briscoe and Co. also got a Wellington contract for supplying cement, and they relinquished it. Wilson's representative secured this contract afterwards.

734. I presume these two companies want to dictate their own terms, and to raise the price of cement to what they choose, especially if only local cement is specified?—Yes.

735. *The Chairman.*] Do you know why the Auckland Cement Company refused to allow cement to be sent to Dunedin in the first instance?—I could not tell you, but I can get Mr. Fenwick, of Morrin and Co., to give you further evidence on that point.

736. *Mr. Tanner.*] Did the Milburn Company tender for the Dunedin contract as well as Briscoe and Co.?—I should think they did, because they got several other tenders in the South Island.

737. In that case, they could tender at a somewhat lower rate than Briscoe could tender at?—The secret is that they have got knocked out themselves, and they are afraid that the prices may be forced down next year.

738. *Mr. Hutchison.*] And our friend wants to supply the Government with English cement?—No.

739. Do you want the English cement imported duty-free?—Yes. My argument is that if the English cement is prohibited it will leave the colony to the mercy of these two local companies.

740. *The Chairman.*] You therefore advance the argument that it would be a dangerous thing to increase the duty on imported cement?—I think that it should be allowed to come in free, especially if you compare the number of people who are employed here in the cement industry with the number of people who would have to pay the extra duty.

741. *Mr. Tanner.*] Is not the price of cement very much lower than what it formerly was?—Yes.

742. *The Chairman.*] Is it not the fact that large quantities of cement are imported as ballast free of freight?—Cement is sent out as ballast, and at a low rate of freight, but not free. I might say that the boycott still continues. I have taken the matter in hand, and I have informed Mr. Fenwick, of Morrin and Co., that I can get him cement. Mr. Fenwick went to the Auckland Cement Company with small orders of about 20 tons, but I went to them with a large order of 50 tons, and got it. I consigned it to Dunedin as lime, and they will not know anything about it till it arrives there. Briscoe and Co. want altogether 300 tons, and I have secured 150 tons of that order.

743. *Mr. Tanner.*] Have you consigned it to Briscoe?—I have consigned it to order. I have bought another 100 tons now, and I expect to get another 150 tons later on.

744. *The Chairman.*] Is there any other matter you wish to mention?—Yes; coal. There was a similar boycott in the matter of coal about eight years ago. The companies here charged the Government 10s. a ton for coal, and were supplying the public at 7s. In connection with this

matter I have saved the Government £2,000 a year. First of all I tendered at 9s. 8d. a ton, and got the contract. I was boycotted as far as that contract was concerned for about six weeks, but the Government helped me along by increasing orders for Kamo coal, and taking Kamo coal till the boycott failed.

745. *Mr. Hutchison.*] Was it with Newcastle coal that you conquered?—No, local coal.

746. *Mr. Tanner.*] How did you secure the contract from the Government?—The Government were being supplied with coal at 10s. a ton, and, thinking there was a good margin, I contracted at 9s. 8d., and got the contract, although the coal companies refused to supply me for some time. When that contract expired the price of coal was brought down to 5s. or 4s. 10d. a ton. Then I tendered again, and the companies reduced the price to 3s. 10d. Now they have put it up to a fair market price—viz., 6s. 6d.: all of which goes to show that the competition amongst the local companies is not sufficient to protect the public, but that, on the contrary, the companies combine to play their own game. They combine to their own advantage, and pay the sum of £950 a year to keep one mine closed. I can produce documents to prove these statements.

747. *The Chairman.*] Which circumstance you advance as a reason why we should not be handed over to the local companies entirely, and as a reason why the Newcastle trade should be kept open?—Yes. The Newcastle coal is the only thing that keeps the local companies in order. They have a different price in the Waikato; there is no competition; they charge 2s. a ton extra. Another source of competition is caused by the timber vessels which take timber across to Australia and bring coal back here, but, of course, if a duty is placed on the imported coal the avenues of trade will be restricted and the freight of timber will be raised. I am a coal-mine owner and a free-trader, and I am just as much interested in this coal business as these other people are. I have a mine at Hikurangi to keep these companies in order, and if they try to boycott me they will find they are not strong enough to do it.

748. *Mr. Hutchison.*] I think we had it in evidence that this witness is a great monopolist in the matter of coal, and that, as regards Newcastle coal, he and some partners, the Union Company probably, control the coal business: is that so, Mr. Craig?—No, I do not. It is open to anybody.

749. I understand that nobody else can get into it: is that so?—You must have heard that from an opposition coal-merchant's point of view, and I hear the same with regard to the Taupiri coal; I take two-thirds of the Waikato coal.

750. There is a great deal of force in the case. I happen to know that the Union Company control the trade in the South, and it is extremely likely that the same thing will happen here?—No. It is impossible to make such a combination in regard to Newcastle coal, because you yourself could order Newcastle and get a supply of coal at the same price as I do.

751. *Mr. Stevens.*] What does it cost to land coal in Auckland from the local mines?—My coal costs me 7s. a ton on the railway-trucks at Hikurangi.

752. How far is that from the shipping port?—About thirteen or fourteen miles.

753. Then, you have to ship it a distance of a hundred miles?—No, sixty miles.

754. And it costs you 7s. on the truck?—Alongside the boat, after paying railway freight, the ship's freight being 3s. to 3s. 6d. a ton to Auckland.

755. Therefore, you can land your coal here for 10s. a ton?—Yes. I have one contract, second-hand, at 10s. 10d. a ton.

756. What is the retail price of Westport coal for household purposes and for blacksmiths?—Smiths' coal ranges from 17s. to £1 5s. a ton, according to the market. With respect to household coal, I could not supply any for less than £1 12s. a ton.

757. What is the reason for the difference in price?—The price at the mine is about 15s.

758. Is it the same with the Greymouth coal?—Yes. There is probably a difference of 1s. 6d. or 2s. a ton in favour of the Westport coal. My impression is that the Government ought to allow Newcastle coal to compete with the other coal in their contracts.

759. What is the Brunnerton coal at the pit's mouth?—Screened coal is about 15s. alongside the ship.

760. We had evidence to the effect that they could deliver it at Wanganui for 16s. 6d., but they actually retail it there at from £1 15s. to £1 18s.: can you give us any reason for this enormous difference?—Mr. Hutchison talks about a monopoly, but I have a monopoly in this way only: that I can supply coal cheaper than any one else here. I have my own boats, and I have a mine of my own, but I do not try to make too much profit out of it, and the other Hikurangi mines cannot compete with me. I am quite satisfied with a fair profit.

761. *Mr. Tanner.*] When did this cement occurrence take place—I mean, when were the tenders called for by the Railway Department for the first time?—At the end of November, 1894.

762. When were the second lot of tenders called by the Railway and Public Works Departments?—In January, 1895.

763. When were you acquainted with the fact that Briscoe's firm found themselves obliged to apply to Auckland for assistance in fulfilling their order?—Last Saturday week. I took all the cement Wilson had in stock, and I went to Mahurangi, and brought a load up with me in the "Rose Casey."

764. When did that take place?—Yesterday. The whole transaction took place within a week.

765. Do you not think that such a transaction is likely to do the colonial cement industry a good deal of harm?—Yes, I do. When I tendered for the Public Works contract here I put my price in low for lime, but it pays me. The other people have a large expense to work against, and must get more than I do on my contract, which is 1s. 1d. a bushel in Auckland. The Cement Company are supplying the Government at the rate of 2s. a bushel for the same article. The Wellington contract is 2s.; Christchurch, 2s. 2d.; Briscoe's supply, Dunedin, 1s. 9d.; Invercargill, 2s. 2d. These are the prices charged to the Government by this company, and the cement business

will end in a monopoly and in the raising of the price if the local companies are encouraged in the shape of an additional duty on the imported article.

766. You say that this is by an arrangement made by the two companies?—Yes.

767. Cannot you give us a more reasonable explanation as to the high price of West Coast coal in Auckland than you have done?—Because I cannot send to the pit to get it for myself, and the demand is limited. I pay £1 6s. landed in Auckland; cartage to yard, then labour, screening, and carting to Customs make up the difference.

768. Is the carriage, then, in the hands of the Union Company?—There seems to be some arrangement between the company and the mine-owners, as they consume a lot of coal. The consumption, as far as Auckland is concerned, is too small to warrant a cargo being sent for.

769. If you send a private vessel to the West Coast, will they load it?—I believe they will not, unless for certain ports where they have no established agency.

770. Have you sent a vessel down to try?—No.

771. *The Chairman.*] Do you wish to add anything?—In the railway contract for blacksmiths' coal, I tendered at 19s. 6d. a ton, and the accepted tender was about £1 4s., for Greymouth coal. I told the Government that if they did not let me sail in the price would be kept up. The department then told me that if I put in a low price for Newcastle coal they would give me a show. I then put in a tender for 17s., and the Grey Valley Company put in for about £1 3s. 6d., but they did not get the contract. The next year, when they found that the Newcastle coal was coming in, they dropped the price down to about £1 2s. 6d. and got the contract. The next year I tendered at about 15s., and forced their price down to about 19s., and they got the contract again. This shows that if it pays to supply one contract at 19s. they can also do another at the same price.

772. That is to say, that you have used Newcastle blacksmith coal to keep down the price of other contractors?—Yes. And, if the Government will let the Newcastle come in free of duty, every year they will save £20,000 in their coal-bill.

(38.) Deputation from Church Organists (V. E. Rice, H. T. Tewsley, and E. H. Queere).

773. *The Chairman.*] You appear in connection with the duty on imported church furniture?

Mr. Rice: Yes.

774. Do you represent any particular churches?—Mr. Tewsley represents St. Mary's Cathedral; Mr. Queere, Holy Trinity; and myself, St. Sepulchre's—all Church of England.

775. What matter do you wish to represent?—We ask that provision should be made for the admission duty-free of metal furniture and appliances (including musical instruments) to be used solely for Divine worship, and not for pecuniary gain or profit, upon production of satisfactory evidence that the same is being imported solely for such purpose.

776. Do you include in that list peals of bells?—We have not taken that into consideration. We include reading-desks and lecterns; but we are chiefly interested in the matter of pipe organs. In the Provincial Government days these articles were always admitted free upon a request from the Superintendent of the province to the Collector of Customs. It was also customary for the importer to make a declaration to the Superintendent that such articles were imported solely for use in Divine worship, and not for pecuniary gain. After the abolition of the provinces that provision seemed to have slipped out of the tariff; and I would point out that the duty on musical instruments is a very high one.

777. Regarding organs, the point has been raised elsewhere as to the American organs coming in under this provision free of duty. Similar requests have been made elsewhere in regard to pipe organs: will that cover what you want?—Yes.

778. Do you include vestments in this application?—No. We do not refer to them, because they can be made satisfactorily in the colony.

779. Would you bring communion plate under the terms of the application?—Yes. A lady some time ago dedicated a lectern to the memory of her husband, and paid for it; but the excessive charge of £20 for duty rather upset the donor, because she was not prepared for this additional charge.

780. *Mr. McGowan.*] You do not seem to give much consideration to the smaller churches that are not able to import large instruments?

Mr. Tewsley: I think that American organs and harmoniums imported for churches should be free of duty if accompanied by a certificate from the importer that they are intended for church use.

781. Would you be prepared to include these instruments in your application?—Yes.

782. There are other churches who cannot afford any organs or harmoniums, but depend upon an orchestra formed from the congregation, and this orchestra supplies its own private instruments: would you include those?

Mr. Rice: We refer to all musical instruments used in Divine worship, but I am personally interested in the pipe organ.

783. *Mr. McGowan.*] Supposing an orchestra is formed in the congregation, would you regard the instruments of that orchestra as church instruments?—No.

784. Therefore they will have to pay the duty in the ordinary way?—I certainly think so. We only refer to instruments used for Divine worship solely. Churches are exempt from paying rates, and to exempt their musical instruments from duty is following up the same principle.

785. *Mr. Hutchison.*] Would this stipulation of Divine worship forbid the using of the instruments for oratorios?—In our church we look upon such a service as an act of Divine worship, and not as an excuse for charging admission.

786. *Mr. Tanner.*] A charge is made in the Christchurch Cathedral for oratorios?—Admission-fees are not charged here.

Mr. Stevens: It might be as well to add these words to the bequest: "and to become the *bonâ fide* property of the church."

Mr. Glasgow: I would suggest that the conditions for the admission duty-free of instruments should be that the instrument must be placed in a building devoted to Divine worship, and used for that purpose solely therein.

(**39.**) JAMES PARK examined.

787. *The Chairman.*] In what capacity do you appear?—As manager of the Onehunga Woollen Mills.

788. How many hands do you employ?—Seventy-two.

789. What is the amount paid per week in wages?—From £380 to £400 per month.

790. What is the average annual output of the mills?—It used to be £20,000 per annum, but last year the output was not within £8,000 of the average.

791. What representations do you wish to make?—We do not ask for any increase in the tariff on tweeds, but we would like to shut out the imported shoddy goods. Their importation is ruinous to our wool-producers, and they are the means of disseminating disease broadcast over the world, but people do not know it.

792. *Mr. Tanner.*] Is shoddy manufactured in Victoria?—Yes.

793. Have you worked in the Victorian mills?—I was brought out from the Old Country to fit up the Warnambool mills, and I worked seven years in them and ten months in the Yarraville mills. But the purest tweeds made in Australasia are the New Zealand tweeds.

794. *The Chairman.*] What amount of duty do you ask?—75 per cent. on the imported shoddy goods.

795. Would you throw upon the Customs Department the onus of saying whether an article was composed of shoddy?—Yes. The Customs employ an expert now. The duty should be placed on goods invoiced under 1s. 3d. per yard.

796. Is it not an absolute certainty that with a very heavy duty all goods will be invoiced down to, say, 7d., 6d., and 5d. per yard in order to evade the duty?—Not if it is placed on goods invoiced at 1s. 3d. and under.

797. *Mr Tanner.*] Is not shoddy used largely in the woollen goods?—Yes; and in the cottons.

798. What would you call a union of wool and cotton?—Shoddy is the term usually applied to such goods. An expert can tell the difference between shoddy and the pure tweed.

799. Do you approve of the suggestion to absolutely forbid the importation of goods composed of shoddy, or containing shoddy, under the penalty of the forfeiture of the goods?—Yes.

800. Is it possible to obtain a good honest tweed, not containing shoddy, at 9d. per yard?—No.

801. Then, if we were asked to admit tweeds valued at 9d. per yard at a special rate of duty, such tweeds must of necessity contain shoddy?—You would be admitting an article which is an imitation of wool, but which is really composed solely of cotton. Such a tweed would not necessarily be composed of shoddy, or contain shoddy.

802. Would a tweed invoiced from England at 9d. per yard necessarily contain any shoddy or not?—Such goods are composed of cotton; but they are sometimes milled with flock, in order to give them a woollen feel.

803. And a tweed invoiced at 9d. per yard would not be an honest tweed?—No.

804. What is the lowest price for which an honest union tweed can be made in England—a tweed of *bonâ fide* wool and cotton?—For about 1s. 2d. to 1s. 3d., reckoning 10oz. to the yard.

805. Is that the retail or the wholesale price?—Wholesale.

806. *The Chairman.*] Is there any other matter?—I also ask that cotton for making the heddles for looms should be allowed in free of duty.

807. Can they be made in the colony?—Ross and Glendining manufacture the heddles; but they have to import the cotton. I also ask that card-clothing, rim-binding (for the driving-wheels), spindle-binding, and tube-binding should be allowed in duty-free. These articles now pay 20 per cent.

(**40.**) H. P. TAYLOR, of the firm of John Burns and Co., examined.

808. *The Chairman.*] You appear in connection with the duties on ironmongery?—Yes; the Chamber of Commerce last July moved in the matter of the tariff, and our firm then prepared a list of inconsistencies for the Chamber in the matter of the duties on ironmongery. I have a copy, which I will place at the disposal of the Commission. This list was approved of by the Chamber of Commerce, and was sent to Wellington. That is all I wish to say:—

"Castings for traction-engines, &c. (the latter are free), are not dutiable, whilst castings (excepting malleable) for ploughs (free) are charged 20 per cent., viz.: sole-plates, wheels, cast shares. Machinery for agricultural purposes n.o.e., also materials for manufacturing the same, free. Agricultural and garden implements that require to be worked by horse-power, as machinery for agricultural purposes, free; ploughs, root-pulpers, and turnip-cutters, free; horse-rakes, chaff-cutters (knives for these are free), horse-power gear, 20 per cent. Garden-tools n.o.e., 20 per cent.; axes, hatchets, forks, adzes, scythes, spades, free; bill-hooks, slashers, mattocks, grubbing-hoes, manure-drags, reaping-hooks, hay-knives, hand grass-cutters, picks, Artificers' tools, according to tariff, 494, are free; wood-workers' boring-machine, engineers' machine-drills, engineers' machine tools, metal-working lathe, jewellers' mill, tinsmiths' snips, caulking-irons, tire-shrinkers, tinsmiths' grooving-machine, awl-handles, as parts of artificers' tools, free; wood-working lathe, coachbuilders' spoke-boring and tenoning machine, tinsmiths' machine tools, watch-makers' lathe, spoke-lathe, soldering-irons, tire-benders, tinsmiths' machines, 20 per cent.; chisel, saw, &c., handles imported separately, as woodenware, 15 per cent.; chisel-handles, with metal band, as hardware, 20 per cent. Machinery for refrigerating and preserving meat is free, whilst machinery

for making tins for ditto, if imported by tinsmiths, 20 per cent., but if imported under above heading (refrigerating and meat-preserving) is free. Galvanised-iron manufactures to mean made up from galvanised iron or block iron, and then galvanised. Galvanised-iron meat-choppers, fry-pans, wrought cistern, coal-scoops and -scuttles, gutter-piping, ridging, 20 per cent.; galvanised-iron buckets, 25 per cent. (Why not 20 per cent. only?). Indiarubber belting, 20 per cent.; indiarubber stair-treads, 15 per cent.; indiarubber washers, free; indiarubber engine packing, free (Why not under one category?). Machinery for manufacturing woollen goods, cloth, &c., 20 per cent., and card-clothing for rollers for carding wool as machinery, 20 per cent., whilst kilting- and knitting-machines are free.

(**41.**) Deputation from the Boot-manufacturing Operatives, Auckland (Robert Darlow, President, Auckland Bootmakers' Union; H. Dymock, Secretary; W. Murray; and W. Long).

The Chairman: We shall be glad to hear what you wish to bring under our notice.

Mr. Darlow: We are a deputation from the Auckland Bootmakers' Union, and we attend to corroborate the statement made by the boot-manufacturers last evening before this Commission.

810. *The Chairman.*] Are you aware of the nature of those representations?

Mr. Darlow: The resolution ordered to be presented to this Commission from the meeting of men and manufacturers was as follows: "That this Commission be advised not to recommend any alteration in the tariff as regards boots and shoes and leather." At a subsequent meeting of operatives this resolution was indorsed.

811. *Mr. Tanner.*] Are you aware that a request was made to the Commission last night for the removal of the duty on imported boot-making machinery?—Yes; but the men have taken no action in connection with that request.

812. Does that request meet with the approval of the men?—I could only give my personal opinion.

813. The men are not aware that in Christchurch the operatives protested against the importation of boot- and shoe-manufacturing machinery?—I am not aware that the proceedings in Christchurch are matters of general information; but it has been publicly stated in Auckland that such representations were made to the Commission.

814. *Mr. Hutchison.*] Then, the operatives here are quite satisfied with the state of their trade and with their wages?—Far from it.

815. Why do you not wish to make some effort to improve matters?—We consider that an increased tariff would not tend to better the position. It might have the effect of raising a boom for a very short time, but we consider that the after effects would be worse than the present state of things. There are numbers of men walking about Auckland who have come from Victoria recently, and they have told me of the result of the high tariff in that colony. We think that any increase in the tariff would have the effect of increasing local competition, which is now so keen that the workers and manufacturers are making very little. It is the competition amongst the local men that we suffer from, and not the competition with the imported article.

816. You fear that in all probability the manufacturers would be so pressed by this local competition that they would make an effort to lower the rate of wages?—Yes.

817. You have no proposal to make in order to get rid of the difficulty that might occur in regard to the wages question?—We are not authorised to offer a panacea for all the ills that society suffers from. We only speak in reference to the tariff affecting our own trade, and we do not think that we can obtain any advantages by increasing the tariff.

818. *Mr. Tanner.*] Are there a large number of men in the trade out of work in Auckland?—At present I do not think that there is a very large number out of work.

819. Can you tell me the wages earned by benchmen in Auckland during the past twelve months?—A few men in the trade have averaged £1 10s. per week the year round; probably about £1 7s. per week would be the average wages of bench-hands.

820. Are finishers' wages higher or lower than benchmen?—Their wages would run to about £1 12s. per week, or slightly higher than bench-hands.

821. Have you any suggestion to offer as to limiting the influx of men into the trade in this colony? You know that this influx applies to all towns?—Yes.

822. Is it possible that, without an extension of the local trade, these men can find employment?—No; and, when we know of the difficulties of working up a profitable trade, I think that I am expressing the voice of the men in saying that it is a pity so many men are being brought into the trade.

823. Are there many hands being continually brought into the trade?—Yes.

824. You mean to say that the number of men now employed is sufficient to supply the demand for a few years?—Yes.

825. And you have no suggestions to make for limiting the number of operatives continually entering the trade?—Yes, we have a suggestion to make. The position is this: The population of the colony only increases at the rate of 10 or 12 per cent. per annum, while the boot operatives are increasing at the rate of 50 or 60 per cent. per annum. Consequently, any alteration in the tariff that brought about an increase in the supply of goods would soon overtake the demand, and find its level again. We want to limit the number of men entering the trade.

826. Practically, then, the custom of introducing additional men into the trade, when there is no extension of the local trade and no cessation in the imported trade, has the result of lowering wages gradually but steadily?—Undoubtedly.

827. Until it brings wages down to the bare point of existence?—Certainly.

828. And for this you can see no cure or remedy?—We certainly say that an increased tariff would not be a remedy.

829. Have you no suggestions to offer other than to limit the number of men coming into the trade?—The union of which I am the president is strongly in favour of a similar Bill to the Masters and Apprentices Bill, with a view to limiting the number of boys entering the trade.

830. Has internal competition increased or decreased in the boot trade during the last few years?—I am told that it has increased considerably.

831. Is it increasing now?—Undoubtedly.

832. Do I understand that it has even reached an acute stage?—Yes. Before leaving I would like to say that, while I am speaking on behalf of the Bootmakers' Union, it must not be understood that the union is unanimous in this matter. We have certain protectionists amongst us; but when I say that the Bootmakers' Union have indorsed all the actions of the committee at the combined meeting of men and manufacturers I am only making a statement of fact.

833. Do we understand you to say that, while you have supported the representations laid before this Commission by the boot-manufacturers as the result of the combined meeting of operatives and manufacturers, at that meeting the whole of the trade did not attend?—That is so.

834. *Mr. Hutchison.*] What are you, Mr. Darlow?—A bench-hand.

835. And are you earning £1 10s. per week?—I wish I did.

836. *The Chairman.*] How many members does your union number in Auckland?—The meeting referred to was not a meeting of the union, but a meeting of the whole trade.

837. How many operatives are there in the trade who could have attended the meeting in obedience to the summons?—About three hundred adults might have attended.

838. How many did attend?—Between fifty and sixty.

839. How many were in favour of indorsing the resolution carried at the combined committee meeting?—I am speaking of the first meeting, which appointed the committee, which was attended by fifty or sixty operatives.

840. I presume that the committee reported to a meeting at which three hundred operatives might have attended: how many did actually attend the operatives' meeting?—About thirty.

841. Of that number, how many approved, and how many disapproved, of the action taken by the committee?—The only dissentients from the motion, "That the action of the committee be indorsed," were two, and one of the two is present in this deputation.

842. *Mr. Tanner.*] We had a statement from the manufacturers to the effect that they represented five hundred operatives, or five-sixths of the total number of employés in the boot-trade in Auckland, and it appears from what you say that twenty-eight persons only amongst the employés have sanctioned the resolution laid before this Commission: is that so?—That is correct.

Mr. Murray: I would like to point out that at the meeting of men and employers they were not unanimous in coming to this resolution. I am in favour of protection for the boot industry, and I also know of several others who are, and who prior to the meeting expressed their opinions to me privately. After the meeting the number adverse to the resolution numbered more than two; there are more dissentients, and many who did not attend the meeting are in favour of a higher tariff on imported boots. The hands in our shop stated almost unanimously that they were in favour of protection and of a higher tariff, but the competition in Auckland at present is so very keen that I doubt very much, even if further protection were given, if it would make that competition any keener. For two years the wages in Auckland, in the benching department especially, have been steadily coming down. We have no remedy, and we know that as long as the present state of things exist they will continue to come down, with or without protection.

843. *Mr. Tanner.*] Then, the operatives were not at all unanimous in agreeing to act with the employers in regard to all the recommendations the latter might make?—I am speaking of the second meeting.

844. Of the six hundred persons employed in the trade, how many are members of the Auckland trade-union?—As far as my knowledge goes, I think about forty.

Mr. Dymock: One hundred.

845. *Mr. Hutchison.*] How do you come to attend here, Mr. Murray, in support of the proposals of the manufacturers, seeing that you dissent from the recommendations?—I attend as a member of the committee appointed by the union to wait on the Commission.

846. *Mr. McGowan.*] Was not the meeting which was called by your society as fairly well attended by the members as the ordinary meetings of the society?

Mr. Darlow: It was the largest meeting of boot operatives held for the last two years.

847. *Mr. McGowan.*] And after considering the matter fully, and the difficulties concerning the boot trade, as regards the interests of the country generally, your society is prepared to agree with the recommendations that have been laid before the Commission by the boot-manufacturers?—That is so.

848. *The Chairman.*] Is there any other matter that you wish to refer to?

Mr. Darlow: I am also secretary to the Workers' Political Reform League, and I have been asked to object to the proposed duty on fruit.

The Chairman: There is no proposal to place a duty on island fruit.

Mr. Murray: Did a deputation that waited upon the Commission last evening advocate that labour-saving machinery should be allowed to come in duty-free?

The Chairman: Yes.

Mr. Murray: Personally, I object to the free introduction of machinery.

Mr. Tanner: That deputation also asked that wooden heels should be admitted free of duty.

Mr. Murray: I would also point out that a number of the boot-manufacturers of Auckland are large importers, and one manufacturer has stated that he would not manufacture a single pair of boots if it were not absolutely necessary to do so in order to keep his import trade together.

(42.) Deputation from Auckland Fruit-growers (Rev. Mr. McCallum; Messrs. William Thompson, John Tonar, William E. Lippiatt, George A. Green, Henry Flewellyn, and Edwin Porter).

849. *The Chairman.*] You gentlemen appear in connection with the fruit-growing industry?

Mr. Thompson: I represent the Auckland Fruit-growers' Association; Messrs. Porter and Lippiatt the Otahuhu Association; Rev. Mr. McCallum and others the Birkenhead and Northcote Association. Three years ago a conference was held in Auckland of delegates from the fruit-growers' associations; and another conference was held in June, 1894, at which nine associations were represented. It was then resolved that a petition should be sent to the Government in favour of an alteration of the tariff duties on imported fruit. As vice-president of the Auckland Association (in the absence of the president, Mr. Upton) I wish to hand in a copy of their petition:—

"Sir,— "Auckland, 1st July, 1894.

"The members of the Auckland Fruit-growers' Union, comprising eight [now nine] fruit-growers' associations, and representing nearly the whole of the fruit-growers in the Auckland Provincial District, beg respectfully to draw your attention to the injustice which they suffer through the existing tariff in relation to all imported fruits, more especially through the admission, duty-free, into the colony of fruits grown in the islands of the South Pacific.

"They beg to point out, though these last-named fruits cannot be grown here successfully, yet they offer an exact substitute for all our soft fruits; and, while our fruit-growers are compelled to purchase all their requirements from the residents of our larger towns, these latter purchase their fruit-supplies free of any impost—a most unfair interchange of trade, alike oppressive and unjust to our fruit-growers, prejudicial to the successful settlement of the waste lands of the colony by industrious working-men (to whom fruit-growing should prove a suitable and profitable occupation), and tending to swell still more the already over-congested population of our large centres.

"Therefore your memorialists pray that your Government will, during the session of Parliament, cause the duties levied upon imported fruits to be as follows, namely: upon fruit pulp, 2d. per pound; upon apples, pears, and all stone-fruits, 1d. per pound; upon oranges, lemons, guavas, and passion-fruit, ½d. per pound; upon bananas, pine-apples, cocoanuts, and all other green fruits not here enumerated, ¼d. per pound.

"And your memorialists will ever pray, &c. "I have, &c.,

"G. B. Hutton,

"The Hon. the Premier, Wellington." "President, Auckland Fruit-growers' Union.

850. *The Chairman.*] Do you wish to add anything?—As a large fruit-grower, I am very much opposed to the imposition of a duty upon island-fruit, but I agree with the other recommendations.

Mr. Lippiatt: Our association is distinctly opposed to any duty being placed upon island fruit. We also wish to draw the attention of the Commission to the ravages caused by the Curculi insect-pest in Canada. This insect attacks stone-fruits, and. although it has not obtained a footing in Australia or New Zealand, we think that it is advisable to prohibit the importation of fruit-trees from Canada, seeing that in the future we are likely to have a direct trade with that country, on account of the likelihood of this insect coming into this country with the imported trees. We would also suggest an import duty on imported apples, pears, and quinces, such duty to remain in force from 1st December to 31st May following. Between those dates these fruits should be allowed in duty-free. Large consignments of lemons are now received from Italy and Messina, produced by cheap Italian labour. The imported lemons compete with those locally grown, and a protective duty is required upon all stone-fruits (apricots, peaches, cherries, plums, nectarines), and on the small fruits our association asks for a duty of 1d. per pound. Tomatoes are imported in large quantities from Sydney, and in our own district this season 5 tons went to waste for want of a market. The Sydney tomatoes are imported into Wellington at 1s. 3d. per 20lb. case, and 1d. per pound would pay us. We can supply tomatoes nearly all the year round.

851. *The Chairman.*] Why do you not make them into sauce?—Lately I have sent quantities to the factory, but the sauce-manufacturers could not take them all. Rinds of lemon, orange, citron, and shaddock, preserved in salt, dried, or in brine, are free under the tariff, and we ask for a duty of 1d. per pound all round. The present duty on candied peel should be maintained. Upon imported melons we ask for a duty of 2s. 6d. per hundredweight. Bluestone, arsenides, syringes, and sprayers (especially one called "Vermorel's Knapsack Sprayer") are used in coping with the insect-pest and diseases affecting our orchards, and we ask that no duty should be placed upon them.

Mr. Green: I represent, in conjunction with Messrs. Tonar, Flewellyn, and McCallum, the Birkenhead and Northcote associations. We indorse the statements and requests made to-day, and we ask that island fruit should be admitted duty-free. The other proposals we should like to see given effect to, especially that relating to a duty on imported tomatoes. I ask for the duty on imported green peas to be levied at per peck, instead of at an *ad valorem* rate of 20 per cent. as at present. I grew 2 acres of green peas this year between my young fruit-trees, and I should have obtained a fair price for the crop if I had had only to compete with locally-grown peas, but our market was swamped with peas imported from Sydney; and a large proportion of my crop was sold at from 4½d. to 8d. per peck: 10d. to 1s. per peck would have been a profitable price. As regards the proposed duty upon apples, pears, peaches, and plums, we do not wish to raise the cost of fruit to the consumer, and we do not think that the duty we ask will have that effect, for the simple reason that at the present time we are able to produce all the fruit that is required for local consumption during the months we require protection. Recent fruit reports of Wellington importing firms state that large consignments had arrived—Leary and Co., 9th February, 1895—and that it had been found advisable to throw the fruit on the Wellington market in considerable

quantities, on account of its condition, when it was originally intended for the South. On the 15th February, George Thomas and Co. stated that two vessels had arrived, and that in both instances the fruit was, comparatively speaking, in a rotten state, and commanded only about 2s. per case, especially peaches and plums. The same week, Leary and Co. stated that the "Wakatipu" had arrived, after a long passage, with her fruit in bad order, and that it had been found advisable to throw it upon the market in Wellington in large quantities—this fruit being intended for the South. I wish to show the absolute necessity that exists for some protection; and with an increased duty the Sydney people would not attempt to consign fruit here in an over-ripe condition, so that it arrives here rotten, or partially damaged. Out of eighteen hundred cases which arrived in Wellington in one week, half were in this state, and the consequence was that the Wellington market was glutted, and the Nelson and Auckland fruit sold for almost less than it cost to land it in Wellington.

Mr. Tonar: I agree with the remarks made by the Otahuhu delegate and others, but I think that the duty upon imported dried fruits (apples especially) should be raised from 2d. to 3d.

852. *The Chairman.*] What dried fruits do you refer to?—Apricots, peaches, and apples.

853. Do you include prunes?—No. We can supply New Zealand now with dried apples. It would be a great assistance to fruit-growers if implements and tools used in agriculture were admitted duty-free. At present, where 1 ton of fruit is consumed 5 tons are allowed to rot on the ground for want of a market, and I think that we are as much entitled to assistance as other trades.

Mr. Porter: As a delegate from the Otahuhu Association, I indorse Mr. Lippiatt's remarks.

854. *The Chairman.*] Do you also agree that no duty should be placed on the island fruit?—Yes, very strongly.

Rev. Mr. McCallum: I am convinced that unless we get the protection we now ask that the fruit-growing industry will come to an end. We can supply the whole demand in New Zealand for fruit (with the exception of the South Sea Island fruit), and leave a margin for export. This country is well adapted for olive-growing, for oil purposes, and we could supply the world with olive-oil. I mention this matter in connection with the proposed reciprocity treaty with Adelaide, under which olive-oil will come in free.

855. *The Chairman.*] You think that olive-oil should be exempt from the provisions of the treaty?—Yes. I object to the treaty, as it is inimical to the interests of New Zealand in regard to wine-growing, olive-oil, and fruit.

856. Are there many olives grown in this district?—Not many; lemon-peel is also imported in large quantities from Sicily. It comes in duty-free, and we are deprived of a market for our lemons. We ask for 2d. duty on lemon-peel, which will place it in the class with other preserved fruits. The wholesale importation of cheap fruit from Sydney and elsewhere in a half-ripe condition is not favourable to the health of the community, seeing that this fruit is manufactured largely into jam. We also ask for an increase in the duty on imported fruit from ½d. to 1d. per pound, and I think that it would be better for the duty to apply all the year round, and not to be an intermittent one. We can grow apples here to supply the market during the whole year, and, with a fair amount of protection, fruit will become cheaper and more plentiful both to the jam-manufacturer and to the ordinary consumer.

Mr. Flewellyn: I beg to indorse what the others have said, but they have omitted to mention one very important matter. A number of the growers are looking forward to a rearrangement of the tariff to recoup them for their years of toil and expenditure of capital. The growers are now contemplating selling their fruit direct to the consumer. Under the present system of selling fruit through an auctioneer the public receive no benefit, as one-half of the fruit goes to waste, and the profit on the other half to the auctioneer. I take the fruit-grower to be a hard-working, intelligent man, and, if the Government will only help the industry a little, I believe that the plan now being considered will lead to fruit being supplied cheaply to the public, and that in time the industry will be one of the best in the colony.

857. *The Chairman.*] Is any sulphurised fruit imported from Tasmania for jam-making purposes?

Mr. Green: Yes.

858. Do you ask that a duty should be put on this fruit pulp?—Yes.

Mr. Thompson: The principal item of fruit that comes in is raspberries, but I do not think they need sulphuring.

859. *The Chairman.*] Have you any suggestion to make on the question of bottled and preserved fruits?

Mr. Green: We think that a duty should be placed on them.

860. *The Chairman.*] Do you know whether there is any disease amongst the grapes in South Australia?

Mr. Green: The growers are opposed to the proposed treaty with South Australia for many reasons, but I am not prepared to state what the position is over there with regard to phylloxera. At the present time a large number of northern settlers are going in for grape-growing, and, seeing that in South Australia they can get grapes at a merely nominal price, we cannot possibly compete with the wine unless a protective duty is imposed. We can grow grapes here of a splendid and suitable quality for making the best of wines. We can grow them in the open for 2d. a pound.

861. *The Chairman.*] How is it the retail price in Auckland is 1s. 6d. a pound?—They are grown under glass.

Mr. Thompson: Large quantities are grown in this district for 2½d. a pound for wine-making.

862. *The Chairman.*] Has wine been made here from locally-grown grapes?

Mr. Green: Yes.

863. *The Chairman.*] Of what quality?—Very good. At Lake Takapuna there is a company formed, and, judging by the reports of their wines, the quality is first class. I think they keep a good stock of this wine at the Albert Hotel.

864. Then, you object to the treaty, and to the free admission of Australian wine, on the ground that it would be destructive to the wine-growing industry here?—Yes.

865. It has been represented to us that the fruit-growers of the Auckland Provincial District are grossly neglectful of their orchards, the result being that the codlin-moth has increased to such an extent that apple-growing will have to be given up within a year or two. I presume the reason is that you have not been able to get a profitable market for your fruit to enable you to go to the expense of cleaning?—Yes.

866. If the duties you ask for were imposed, do you think you would be able to get a profitable market?—Yes.

867. If you got a profitable market, would you clean your orchards?—Yes; we are doing so now.

868. If your request were granted in the matter of duty, would it not be necessary to pass some stringent regulations to compel the careless people to keep their orchards clean?—Provided the expense does not fall on the unfortunate fruit-grower it would be a good thing.

869. Who else can it fall on—on the general public?—They get the advantage.

870. Surely the general public is not to be asked to clean the orchards and pay the proposed duty too?—I think we have shown that the duty will reduce the cost of fruit to the consumer.

Rev. Mr. McCallum: I have an orchard of 12 acres of apples—full-bearing trees—and find that it is utterly unprofitable, and it would be merely throwing money away to cultivate in such a way as to keep down the moth. If the fruit-growers were compelled to keep it down we would clear the district, but at present it would not pay to spend the money in doing so.

871. *The Chairman.*] Supposing Parliament granted these duties, would you not be willing to submit to legislation compelling the orchards to be kept clean?—I think I would be inclined to.

Mr. Tonar: Two of our delegates have gone to Tasmania to investigate the working of the Codlin-moth Act there, and we hope to get more information about it. At present we cannot do anything to get rid of the pest, and the growers are not likely to unless legislation steps in.

Mr. Lippiatt: I hope the Government will not make the use of arsenides compulsory; bandaging is the proper thing.

872. *Mr. Stevens.*] With regard to the ability of the orchardists in Auckland to supply New Zealand with fruit, I do not doubt that statement for a moment, but if you could realise payable prices, would there not be such an increase of internal competition as to reduce the price to even a lower level than at present, as there would be more fruit grown than the people could possibly consume?

Mr. Tonar: The public here do not consume any of the locally-grown fruit. The majority of it is imported.

873. *Mr. Stevens.*] What is the freight on fruit from here to Wellington?—We have an agreement with the Union Company to carry our fruit at the same rate as from Nelson. The freight is now 7s. 6d., but Huddart, Parker will take it to southern ports for 5s.

874. Can you give us any reason why the Union Company charge 2s. 6d. a case of apples from Picton to Wellington?—The lowest charge is 2s. 6d. a case for anything under a quarter of a ton.

Mr. Green: It costs us 4d. a case from here to Wellington in quantity; but I think the lowest freight for any one package is 2s. 6d.

Mr. Lippiatt: Last year it cost 3s. 6d. to send a case of tomatoes to Te Awha, and this year we can send them for 6d. a case.

875. *Mr. Stevens:* Has any wine been made here from locally-grown grapes?

Mr. Lippiatt: Mr. Wendel, of Port Albert, has been making wine for years.

876. *Mr. Stevens.*] Has any of the wine been exhibited in Australia or at Home?

Mr. Green: I am not aware of it.

877. *Mr. Stevens.*] Do you think this wine could compete with Adelaide wine?

Rev. Mr. McCallum: No. For general consumption we cannot compete with the first-class Adelaide wine.

878. *Mr. Stevens.*] How is it possible to produce it as cheaply when the average cost of grapes in Australia for wine-making purposes is from £1 10s. to £1 15s. a ton, and here you require 2d. a pound?

Mr. Green: We have not gone into the question of the cost of production.

879. *Mr. Stevens.*] Do you think that it would be fair to prohibit the importation of grapes, or to compel the public to pay 1s. 6d. a pound for them, when they can be imported from Australia and retailed at 6d.?—No; if it were not for the fact that there would be a danger of introducing the phylloxera.

880. But supposing you import the grapes from countries were there is no phylloxera?—We are only asking for heavy protective duty to give us a chance to start the industry.

881. Does the phylloxera exist in Australia?—Yes.

882. In which colony?—In Victoria and New South Wales.

883. Would the fruit-growers here object to compulsory registration for the purpose of eradicating the codlin-moth?—Can you tell us how we can eradicate it. If you could, we would be able to tell you whether we would consent to compulsory measures for its eradication.

Mr. Stevens: Yes, it could be eradicated in the same way as it has been eradicated in Australia, where it was very bad. Now it is practically swept away.

Mr. Green: In the case of Tasmania the codlin-moth is very different to what it is with us. Here we have from four to six distinct broods, and in Tasmania I understand that there is one brood only.

884. *Mr. Stevens.*] Was it not proposed to export apples from this place to Fr'isco?

Rev. Mr. McCallum: The experiment has been tried, but did not pay. In California they grow apples at an elevation of from 1ft. to 5,000ft. above the sea; and they send apples here in considerable quantities. Our apples will not keep so well.

Mr. Lippiatt: I exported fifty cases to California in 1889, and I received advice that I should send apples there in May. I sent a first-class lot, but the Americans seemed to dislike the colonial produce, and they fetched low prices.

885. *Mr. Stevens.*] Do the States impose any duty on fruit?

Rev. Mr. McCallum: Yes; both on the fruit and on the boxes.

886. *Mr. McGowan.*] I think we are pretty nearly all agreed that we cannot beat Auckland for producing fruit in the early part of the season. Is there any other part of the colony that beats us in regard to season?—No; but New South Wales does.

887. Is that the only place that takes the early part of the season away from us?—Yes.

888. With that exception, Auckland can secure the first of the market then. Is the statement correct that for 1 ton of fruit consumed 5 tons are allowed to rot?

Mr. Tonar: I spoke of apples.

889. *Mr. McGowan.*] Is that a fact?—Yes.

890. And, as against that, you have made a statement that you are anxious to induce the lower classes to eat more fruit than they do at present?—Certainly.

891. And while you allow 5 tons of fruit to rot you are asking for an increased duty?

Mr. Tonar: It is the middlemen who get the profit.

892. And because somebody else takes your profit you ask the Government to put a duty on imported fruit to save you. Why do you not send your fruit to the market and let the people have it, rather than allow a ton of it to rot? Under these circumstances, do you think it reasonable to ask for a duty?

Mr. Thompson: We cannot get anything for it, and it does not pay to send the apples in.

Mr. McGowan.] If time permitted I would go into this question further, and, with regard to the statement that large quantities of half-rotten fruit were sent in from Sydney, I might say that that is not the case. The shipment referred to *ex* "Wakatipu" was landed somewhat damaged on account of a heavy gale the vessel met with, and which prolonged her passage. I was in Wellington at the time. But this was only an isolated case. As a rule, the fruit from Sydney is landed in Wellington in good condition.

Mr. Hutchison: I would like to emphasize the statement made to the deputation with regard to proper care not being bestowed on their orchards. A statement has been made that the fruit-growers do not attend to their orchards, and that there is a general apathy and carelessness on their part which prevents them from doing anything. According to the dealer he cannot take your fruit, as you do not keep your orchards in good condition, and, altogether, you are very careless. I think you should be made acquainted with such statements.

Mr. Green: I think that we should have an opportunity to reply to those statements.

Mr. Hutchison: This statement came from an Auckland dealer.

Mr. Lippiatt: I think there is a good deal of truth in that statement, and it is a well-known fact that we are trying to remove the cause.

(**43.**) Robert Fenwick examined. Mr. Craig appeared with Mr. Fenwick.

893. *The Chairman.*] What are you, Mr. Fenwick?—Manager for T. and S. Morrin and Co.

The Chairman: Some evidence was given to us this morning by Mr. Craig on the subject of cement. He has told us the history of certain transactions, but there is one point upon which it has been thought advisable to refer to you. The transaction is as follows, according to Mr. Craig: In November, 1894, the Railway Department called for tenders in Dunedin for the supply of New-Zealand-made cement. Briscoe and Co., intending to tender, asked the Milburn company for a price for cement, and obtained a quotation, on which basis they tendered. Something occurred which caused the tenders to be returned unopened, and fresh tenders were then called for the cement by the Public Works Department for the supply of cement for that department and the Railway Department conjointly. This was in December, 1894, and Briscoe and Co. again tendered, presumedly on the basis of their first quotation, their tender being accepted. Application was then made to the Milburn Cement Company for cement by Briscoe and Co., but the former refused to supply them. Thereupon Briscoe wired to Morrin and Co. to purchase cement from Mr. Wilson, of the Auckland Cement Works. Wilson supplied the firm, who then sent the cement to Briscoe. It is stated that as soon as this cement arrived at Dunedin, Mr. Oakden, manager of the Milburn company, came to Auckland, and arranged with Mr. Wilson on no account to supply any cement to Briscoe for this contract. Morrin and Co. subsequently ordered more cement from Wilson, and the latter refused to supply it. Mr. Craig informs us that he saw certain documents which proved that there was an organized boycott on the part of these two cement firms, the object being to eventually obtain a monopoly in the cement trade for the whole colony, one firm to take the South Island, and the other the North. It was suggested that you should be called, and that the documents should be produced proving this statement.

Mr. Craig: Since I was examined I find that Mr. Oakden had been to Sydney, and broke his journey here.

Mr. Fenwick: This matter is really my own personal matter, and not Morrin and Co.'s. The purchase referred to was made by myself. The history you have given is practically the history of the transaction in detailed form, and I confirm Mr. Craig's statement, excepting as to the item that the transactions were conducted through Morrin and Co. They were really with me personally.

895. *Mr. Stevens.*] Was it a personal transaction between you and Briscoe and Co., to the exclusion of your firm?—I was twenty-three years with Briscoe and Co., and we do a good deal of business with them. It was simply doing them a good turn, and, as there was no profit in the

transaction, it was no use putting it through Morrin's book. I produce the following telegram, which commences the correspondence:—

"Robert Fenwick, Esq., T. S. Morrin, Auckland.
"Chief returned all well. Suggests I ask you see Wilson and try to get him to quote us for lime and cement, Government contract. Milburn company boycotting us, and cannot get Wilson quote direct. Try and fix this for us. We shall all appreciate it much if it comes off. Reply collect.
"Hugh Macneil, Jun., Dunedin."

On receipt of this telegram I sent for Mr. Wilson, and he came up and said that he did not wish to send any cement to Dunedin on account of the Milburn company having refused to quote at all for this contract. I said you need not consider Briscoe in the matter at all, you can sell to me personally. He gave me no direct answer then, but next day he gave me a price—viz., 5s. 6d. a bag. I telegraphed that to Dunedin, and Briscoe accepted it. I then received the following letters of the 2nd and 12th March:—

"My Dear Fenwick,— "Dunedin, 2nd March, 1895.
"Last Saturday I sent you a delayed wire, asking for a price for cement and lime from Wilson. A week has gone, and we have had no reply. I am not altogether surprised, because we have all along felt that Wilson has been pulling with the Milburn Lime and Cement Company. These people, represented by their manager, Oakden, Jack White the lawyer, and Grindley, insurance man, have simply boycotted us. They quoted us £3 12s. per ton for the railway contract. We did not ask a price when the two departments were combined under one schedule, but tendered on the price we had for the railway. When we got the contract they declared that we had taken 'their' contract away, and they would not allow us to make any profit out of it. There is a lot more to tell, but the story is too long to put on paper. Meantime we are landing 4,000 casks of cement, Knight Bevans, *ex* 'Rangitikei,' and we are advertising it to consumers at 11s. per cask, which will make them lose about 2s. 6d. on all their sales outside of us. How is that? I would give a lot to euchre these chaps, and I believe if it can be done that you will do it for us. Surely Mr. Wilson, under the circumstances, and in face of the fact that we handed him over the Wellington contract, will not continue to blindly run with a concern which is capable of such dirty business. I leave it to you to rub it in thick. Meantime, with regards to Richie and yourself, "I am, &c.,
"Hugh Macneil, Jun.
"Robert Fenwick, Esq., Messrs. T. and S. Morrin (Limited), Auckland.
"The chief still here well. He was delighted with your reception and treatment of him in Auckland."

"My Dear Fenwick,— "Dunedin, 12th March, 1895.
"Your letter of the 6th instant has just reached me. I reply at once, returning Messrs. J. Wilson and Co.'s letter. It is important that you should write accepting this offer. Will you please do so, and we shall hold you indemnified from any loss arising in consequence of your action. Pray do not write Messrs. Wilson anything but a bare acceptance of their offer, so that the contract will be constituted by the terms of their own letter. Did it strike you to rub it in to Mr. Wilson that we handed over our contract to him in Wellington voluntarily? He must know that, and surely feels some sense of obligation. Wait till I get alongside of him. However, I quite agree with you. I do not believe we could have got this ourselves, and we will not forget it.
"Yours, &c.,
"Robert Fenwick, Esq., Auckland." "Hugh Macneil, Jun.

'Dear Sir,— "Auckland, 7th March, 1895.
"We hereby offer to deliver to your order our Portland cement, f.o.b. Auckland, at 5s. 6d. net per bag of 190lb. net. We cannot guarantee to supply every order, but will do our best. We also offer our hydraulic lime, f.o.b. Auckland, at 3s. 9d. net per bag of 3 bushels. This quotation applies to export only, in orders of one or more tons, with one clear week's notice wherever practicable. For local trade the discount will be 10 per cent. off our yard prices of cement and lime—namely, cement, 6s. 6d. per bag; hydraulic lime, 4s.; shell lime, 3s. 6d. Delivery extra. Prices subject to alteration at a month's notice, but all existing engagements respected. This offer to lapse if not accepted within fourteen days from date.
"Yours, &c.,
"John Wilson and Co.
"R. Fenwick, Esq., Manager, T. and S. Morrin and Co. (Limited), Auckland."

Wilson then asked me how much cement was wanted, and I told him I would wire Dunedin and find out. The following correspondence then took place, to which I can add nothing:—

"Robert Fenwick, Morrin and Co., Auckland.
"Roughly, about 400 tons will be required this year.
"Hugh Macneil, Jun., Dunedin."

"Robert Fenwick, T. and S. Morrin, Auckland.
"Ship quickly six hundred bags cement. Contract price, 4s. Do your best.
"Hugh Macneil, Dunedin."

"Robert Fenwick, T. and S. Morrin, Auckland.
"Words cannot express my feelings. I look to you to either coax or coerce Wilson into delivering. Is this what we handed him over our Wellington contract for? I call it basest ingratitude. Gellatly on 'Monowai'; ask him to help you. "Hugh Macneil, Jun., Dunedin."

"R. Fenwick, Esq., Morrins, Auckland.
"Buy one hundred tons at once. Reply when done so. "H. Macneil, Dunedin."

"Robert Fenwick, T. and S. Morrin, Auckland.
"INCREASE order for cement to 250 tons. Delivery spread over two months.
'HUGH MACNEIL, Dunedin."

"Robert Fenwick, Morrins, Auckland.
"BRAVO. My regards to Craig. "HUGH MACNEIL, Dunedin."

"Robert Fenwick, Morrins, Auckland.
"BUY another 150 tons for June July delivery. "HUGH MACNEIL, Dunedin."

"Robert Fenwick, Morrins, Auckland.
"WANT 500 tons in all. Delivery spread till October, if possible.
"HUGH MACNEIL, Dunedin."

"MY DEAR FENWICK,— "Dunedin, 11th April, 1895.

"Your telegram saying Wilson declines to ship us any more cement reached me this morning. I wired you to coax or coerce him into delivery. I hope you will be able to do one or the other. I remember writing, and, I think, wiring you, to 'see that you accept his offer in writing.' No doubt you did this, and will therefore be able to make him supply or give him notice that you will have to purchase at his risk and expense. That means that we will debit him with any loss incurred by reason of having to purchase Milburn cement. We have said nothing before about our handing over the Wellington contract; but now I think the time is opportune to rub that into Mr. Wilson; and how he can reconcile it to his conscience to go back upon people who treated him so well in that matter is a mystery to me. I do not want to call him any hard names, although the temptation is almost irresistible. I leave the matter entirely in your hands, hoping that you will not let it rest, if you have to keep at Wilson every week and every month of this year. Mr. Wilson's mind must have been poisoned against us somewhere, probably by lies; I think this should be represented to him. If we could only find out what the bond is connecting these two concerns we might help Wilson to defy the other man, and be perfectly independent of him. If you have not succeeded when this letter reaches you, do you think this last idea is worth looking into, because, even if it cost us money, I should be inclined to go a long way out of my road to checkmate our bumptious and objectionable neighbours. I have only one more thing to add, and that is, if you do not succeed in getting Wilson to come to terms, I mean to have the whole case written out, and take it up myself to Mr. R. J. Seddon, Premier of New Zealand; and I mean to enter as strong a protest as possible about such deliberate collusion on the part of colonial manufacturers to slate not only us, but the Government also. For I shall be able to demonstrate, from the very fact that Wilson has been selling his cement to us at 5s. 6d. a bag, that the Auckland and Dunedin concerns had an agreement before the tenders closed by which they hoped to slate the Government on the price of their cement. How will this fit in with their request to the Tariff Commission for an increase of duty? I do not think they are likely to get what they are asking for if we are driven to say all we know; and, taking it altogether, I think Mr. Wilson will find, if he persists in his obstinacy and nastiness, that we have a little more power at head-quarters in Wellington than either he or the other man suspects. I think I had better stop now, because I begin to feel warm on this subject, and I hope I have said enough to show you the way we look at this thing. It amounts to this: that we will try every reasonable means to pull with these colonial manufacturers, but if they persist in this boycott we shall do all we know to upset their schemes with the Government.

"Yours, &c.,
"Robert Fenwick, Esq., Auckland." "H. MACNEIL, Jun.

896. *The Chairman.*] Do you wish to add anything?—On one telegram [produced] there is an indorsement as follows: "Shipping 20 tons Tuesday, and will ship 20 tons forthcoming week." This indorsement is in Wilson's clerk's writing. On the following Monday, I think it was, Oakden turned up here, and got Wilson to sign an agreement. Subsequently, our engineer, who had met Oakden in Auckland, informed me that Oakden told him that he (Oakden) had upset somebody in the matter of a supply of cement for a railway contract in Dunedin by getting Wilson to bind himself down not to supply it. I told him that it was myself who was referred to. One more shipment of 20 tons was sent after this, and then Wilson sent word to me that he would ship no more cement. He gave me no explanation whatever, although I tried to get one. I then employed Mr. Craig to see what he could do, and that was how he came on the scene.

897. Would not an action for damages have laid against these people for not completing the contract with you?—I imagine not, from the wording of their letter.

898. *Mr. Tanner.*] I understand that Briscoe and Co. tendered to the Railway Department on the strength of a quotation they obtained from the Milburn company, that their tender was accepted, and that then the Milburn company refused to supply any cement?—That is practically it.

899. What was their reason for doing that when they had given Briscoe a quotation?—Their explanation is that the Railway Commissioners had advertised for their ordinary two years' contract, but before the tenders reached Wellington notice was sent to the tenderers that the contract had been postponed. Then the Public Works Department issued fresh tenders for the same contract, and Briscoe's firm again tendered on their former price, as they thought that it would stand good with Oakden, and their tender was accepted. He, however, refused positively to supply any cement, upon the ground that this contract was for the supply of cement to the Public Works Department, and not to the railways.

900. And the Milburn company's original quotation was to supply the railway contracts only?—Yes.

Mr. Fenwick: We pay a duty of 2s. now, and we do not object to it; but we certainly do object to a duty of 4s., which I understand is asked for by the local people.

901. *Mr. Stevens.*] Did I understand you to say that the Government had called for tenders for the supply of cement for the whole colony, and that a certain tender was accepted by the Government?—Yes; Briscoe's was accepted for Dunedin and Wellington.

902. And, further, that after this tender was accepted a Government officer went to Briscoe, Macneil, and Co. and asked them to hand back their acceptance of the contract?—Yes; and a tender of Hudson (Wilson's agent, I understand) was accepted in lieu of it.

903. Therefore, the persons who originally tendered did not receive any further consideration?—No, and, seeing that Briscoe's firm had handed their tender back in a very liberal manner, I think that Wilson might have treated them a little more liberally.

904. Was the object in getting the tender back to enable Wilson's agent (Hudson) to get the contract instead of the others?—Briscoe's firm did not know who was to get the contract. They thought that some mistake had been made, and, rather than get any one into trouble, Mr. Macneil, sen., handed the acceptance of his tender back.

905. Then, further tenders were not called for?—No, Wilson's agent (Hudson's) tender was, I understand, accepted.

(**44.**) Henry Hartnell, of L. D. Nathan and Co., examined.

906. *The Chairman.*] What do you wish to bring under notice?—I wish to point out the desirability of removing the duty at present levied on imported sheep-drenches. I have received a letter from the agent of Pottie's dip in Sydney asking me to ask for this concession. I happen to know personally that one of the runs in the Auckland Province has lost heavily in sheep through not having any remedy of this kind at hand.

907. Is it used for this new disease we hear about?—I am not able to say, but it is used for some internal complaint, and the application of this drench has been remarkably effective. The present duty is £1 5s. per hundredweight.

908. I understand that your firm deal largely in sheep-dips and -drenches?—No. We are agents for a sheep-dip; we only sell very small quantities of it. This particular drench has been very successful in Australia, and our agents there have asked us to introduce it to New Zealand, but personally we are not interested in the matter.

909. Does this particular drench claim to be superior to any other kind?—I do not know.

910. Do you ask for the removal of the duty on it alone?—No, but from all drenches.

911. Do you know anything of drenches manufactured in New Zealand?—No.

912. Have you heard of a remedy for intestinal worms and lung-worm called "sheep-lick"?—No.

913. It is a chemical preparation in the form of rock salt, which is placed in the paddocks and the sheep drench themselves?—I have not heard of it, but the sales of rock salt are increasing.

914. It has been represented to us that by giving a reasonable protection to the manufacturers of this superior kind of remedy that it can be manufactured in the colony; otherwise sheep-owners would be compelled to put up with inferior preparations for the disease: you have not heard of this remedy?—No.

915. It is called Langston's sheep-lick?—I apprehend that to meet that case requires a special basis of protection. I ask that all imported drenches should be free.

916. Have you heard of Little's dip being used as a drench?—No.

(**45.**) Mr. Seegner, of Seegner, Langguth, and Co., examined.

917. *The Chairman.*] What are you?—We are general merchants, and I appear in the interest of the mullet-canning industry. I ask for an increased duty on all imported canned fish, but mainly on salmon. Salmon is imported from British Columbia, and if the duty on it were raised from 2d. to 3d. a pound tin it would do our mullet industry a lot of good.

918. Do you tin sufficient mullet to enable it to take the place of the imported salmon?—It is possible to do so. There is plenty of mullet here if the industry is properly managed as regards the close season. At present, however, the law is not obeyed, and the season is not properly kept.

919. Why?—The Collector of Customs could give you information as to that. We have had some correspondence with the Government on the matter, but at present the mullet are taken during the spawning season.

920. How many factories have your firm?—Two—one at Kaipara, and one at Russell.

921. What quantity of mullet can you turn out per annum?—We can turn out from three to four thousand cases from the two factories.

922. What does each case contain?—Four dozen pounds. Last year I went to Java, India, Sumatra, and Singapore, in the interests of the mullet industry. The Americans have been trying to get the ova of the mullet, and they sent to the Curator of the Museum for some, but I told him to send them to me. If they succeeded in getting the ova they would do the industry eventually a lot of harm by competing with us in the same fish. I have worked up a nice little business in Honolulu in our mullet, although we have to pay a duty of 15 per cent. In spite of this duty the salmon goes in free.

923. Then, you want to prohibit the export of mullet-ova to America?—Yes. We begin tinning in the middle of March, the close season being from the 1st December to the 1st March.

924. Is that the breeding-time?—Yes; but the close season should be to the end of March.

925. *Mr. Stevens.*] Is blue-cod very plentiful in the North?—No. We have tried tinning schnapper, but it is too dry.

926. Can you send your mullet to Australia and sell it at a lower price than the American salmon is sold for?—No.

927. Can you sell it for the same price?—No.

928. Is it preferred to salmon in Australia?—In New Zealand it is beginning to be preferred, but, unfortunately, in Australia mullet has a very bad name, and we have to call it New Zealand white sea-salmon. People told us if we could only alter the name it would sell. The tinned salmon is sold at about 7d. or 8d. a tin, and the mullet is sold at about the same price.

929. What is your wholesale price?—About 5s. a dozen, but that price does not pay. At 5s. 6d. a dozen it might be sold profitably.

(46.) Deputation from Saddlery Trade (Messrs. James Wiseman, William Wiseman, and W. S. Jones).

930. *The Chairman.*] What do you gentlemen appear in connection with?

Mr. J. Wiseman: The saddlery and harness-making industry. We appear on our own behalf.

931. What do you ask?—Coloured checks, for lining collars [sample produced], are now free of duty, but the same material, which is a kind of cloth, without the check has to pay duty. We ask that the duty should be removed.

932. Could the plain material be used for other than saddlers' purposes?—Not that I am aware of. We also have to pay duty on linings for buggy-rugs as textile piece-goods.

933. What is the material used?—An imitation sealskin.

934. Could it be used for ladies' mantles?—No. It pays 20 per cent., and we ask that it should be free. Saddle-cloth is also dutiable, and we ask that it should be free.

935. *Mr. Glasgow:* There is a much finer material used for lining the better-class collars than the samples produced. It has been asked that it should be free of duty; it is a blue material. Do you know it?

Mr. J. Wiseman: You refer to a "blue kersey," which is a finer material. We do not ask for that to be free.

936. *Mr. Stevens.*] Are not these checks [samples produced] used for lining the light collars only. I think that there is only one check used for lining the heavy draught-horse collars?—No. These checks are used for all dray-collars.

(47.) William Service examined.

937. *The Chairman.*] What are you?—A card-box manufacturer. I have been in the business since 1881, at first with my father, but during the last five years on my own account. I am a manufacturer of plain and fancy cardboard boxes, and I now make an application for a duty of 5 per cent. extra on such goods as cardboard cut and shaped ready to be put together as boxes, and flat and folding boxes, with or without printing on them.

938. The present duty on these boxes is 20 per cent.?—Yes.

939. And you ask that the duty on flat, folded, or empty boxes should be raised from 20 to 25 per cent.?—Yes.

940. Whether they have any printing on them or not?—Yes.

941. If your request were granted, would the amount of labour employed in the manufacture of these boxes be increased?—At present large orders for these boxes are taken in the colony by Home travellers, and I reckon that another 5 per cent. duty on the foreign article would give me the trade.

942. How many people are employed in this industry now?—I employ five, and altogether in Auckland there are twelve persons employed in it.

943. If this extra duty were imposed, and you obtained the command of the local trade, how many more hands would you employ?—Four or five more, and we shall be able to work full time.

944. Are you working full time?—No.

(48.) Robert Rose examined.

945. *The Chairman.*] What matter do you appear on, Mr. Rose?—I represent the Waihi Gold-mining Company as managing director, and appear in connection with the duty on kerosene-oil, which we desire to use in an oil-engine the company propose to erect at the mine to supplement the present water-power. We have been recommended to have a 180-horse-power oil-engine, but, of course, the difficulty is the present duty of 6d. per gallon levied on kerosene-oil. The oil-engines can be worked for about half the cost of engines worked by coal. We ask that oil for use in oil-engines should be allowed in free of duty. The cyanide process has enabled us to work the ore (which, in the Waihi district, is worth from £2 10s. to £4) at a fair profit, but the lower the expenses can be kept down the more ore we can turn over. At present the duty on the kerosene-oil amounts to more than the landed cost, and if we cannot obtain the remission of the duty, or a large reduction, we shall be unable to have the oil-engine. There are other mines in the locality that are also thinking of supplementing their water-power, and they may wish to use the oil-engines also. We estimate that a 120-horse-power oil-engine would consume 570 tons, or 157,680 gallons of kerosene, working full time.

946. Would these engines be driven by the ordinary kerosene-oil?—No; it is kerosene-oil, but slightly refined.

947. Then, you must make a distinction between kerosene imported to be used in oil-engines and kerosene used for ordinary lighting purposes. How would you meet that difficulty?—I understand that any kerosene-oil that is slightly refined can be used. The concession might be made to apply only to oil of a lower test than 120°.

948. Would it answer your purpose if the duty were remitted upon the production of a certificate that the oil was imported solely for mining purposes?—Yes; that is done now in the case of machinery imported for mining purposes.

(49.) William Crosker examined.

949. *The Chairman.*] What are you?—A manufacturing electrician. I have been eight years in business. I ask that terminals for electrical apparatus should be free of duty if imported. [Samples produced.]

950. Are these made in the colony?—No; there is no machinery in the colony to make them.

951. I suppose that it would not pay to set up machinery to supply the demand?—No.

952. How many pounds' worth do you import per year?—Twenty pounds' worth, and I pay a duty of 20 per cent. £100 would cover the value of the importation for the whole colony. The amount of revenue involved is very small.

Monday, 29th April, 1895.

(50.) William John Willmet Philson examined.

953. *The Chairman.*] What are you, Mr. Philson?—Manager in New Zealand of the Colonial Sugar-refining Company (Limited), of Sydney, office in Auckland.

954. How long has your company been in operation?—Eleven years.

955. How many employés have you?—From seventy-five to eighty at the present time.

956. What is the amount paid in wages?—From £250 to £300 per week, according to whether operations are busy or slack.

957. Do you grow the sugar?—We grow the sugar in Fiji, and refine it at the works at Chelsea, and sell it as refined.

958. What quantity passes through your hands annually?—From 17,000 to 20,000 tons. I have two statements here which I wish to read.

959. Do you wish to put in this memorandum?—Yes.

(No. 1.)

"Since the sugar-refining industry was started in New Zealand, in 1884, it has been subject to serious disabilities in the competition with sugars such as Mauritius and China refined, and more particularly with beet sugar, the export of which is subsidised by the Continental Governments. The New Zealand Government has from time to time been asked to grant some measure of protection to the local industry against beet sugar, and the arguments used in favour of such action should, if possible, carry more weight now, when we are threatened with an influx of this sugar, which, being artificially cheapened by the direct and indirect bounties granted by the European Governments, can be sold, in consequence, at less than the cost of production.

"The disadvantages under which the refining industry in New Zealand is carried on may be stated as follows: (1.) A heavy duty on all plant imported: as most of the machinery required in the refinery has to be imported, being for the most part patent machinery, which cannot be manufactured in the colony, and must be replaced from time to time, there is, therefore, a constant outlay on account of such duty. (2.) Duties have also to be paid on a large proportion of the materials used in the manufacture. (3.) Wharfage is charged by the Auckland Harbour Board on all sugar, coal, and other materials landed at the Chelsea Refinery, on wharves built and maintained by the refiners; whereas, on the other hand, all white sugars that are imported to compete with those produced in New Zealand are landed on wharves which are built and maintained by the trusts in the different ports to which the sugars come. (4.) A heavy income-tax, while imported sugar, being usually sent on consignment, would show no profit on realisation, and would, of course, escape all such taxation; and importers also escape the municipal taxation which is levied on the refinery, and the business license of £200 a year, still unfairly charged in respect of the Auckland factory. (5.) A further disadvantage, arising from the natural condition of the colony, is that the population is widely distributed in many seaports, and a refinery has not the advantage in distribution from one centre which is obtainable in Australia—in other words, the freight on sugar from Melbourne to Dunedin is usually but little greater than that from Auckland to the same city.

"In addition to these disabilities, serious though they are, the refining industry has to fight the Continental Governments, who support their manufacturers with export bounties, as shown: (*a.*) In Germany there is a direct bounty on the following scale: From the 1st August, 1892, to the 31st July, 1895—raw sugar, per hundredweight, 7½d.; loaf, &c. (granulated), 99 per cent., 1s.; hard sugars, 95 per cent., 10d. From the 1st August, 1895, to the 31st July, 1897—raw sugar, per hundredweight, 6d.; loaf, &c. (granulated), 10½d.; hard sugars, 95 per cent., 8½d. (*b.*) In France the bounty is of an indirect nature, inasmuch as the duty is levied on the beet, and the bounty is derived by the manufacturer from the fact of the actual yield being much in excess of that fixed in the Act as an average for taxation purposes—thus, the legal yield of sugar is 7·75 per cent. of the beets used, on which the full excise duty of £24 per ton of sugar will be levied. Any excess obtained up to 10·50 per cent. will pay half-duty; if the yield exceed 10·50 per cent. the duty will be on one half £12 a ton and on the other half £24 a ton. The result is that, if the yield is 10·50 per cent. (the average of 1890), the bounty is £4 5s. a ton—not on the sugar exported, but on the total production. Should the yield be 13 per cent. (the German average), the bounty would be £6 7s. 6d. per ton. (*c.*) The Austrian Government grant an export bounty of 5,000,000 florins a year, which amount is divided amongst the exporters; and last year it is estimated that this bounty amounted to about £1 a ton on the sugar exported.

"It will be seen, therefore, that not only has the local industry to work at a disadvantage in competing with the refined sugars from Hongkong—where the business is conducted on a large scale, and the surplus production which is exported can well be sold without profit—and against

Mauritius—where, owing to the depreciation in the value of silver, sugar can be produced at an exceedingly low rate—but it has practically to fight the Governments of France, Germany, and Austria, standing behind the beet-sugar manufacturers, who are induced by the heavy bounties to attempt to secure the control of new markets.

"The unequal contest against China and Mauritius sugars can, by reason of the large scale of the local company's operation elsewhere, be continued, unless some fresh occurrence should tend to further lessen the small margin of profit now obtainable; but, without an additional duty on beet sugar countervailing the bounty now granted by the Continental Governments, the industry, which has done so much for Auckland, cannot be expected to continue on the existing lines, if the value of sugar has been permanently lowered—that is to say, the expenses would have to be reduced by combining the plants in one factory, where the work could be done under the most satisfactory conditions as to cheapness of fuel, low port charges, and absence of Government interference in the working of the business, in which respects Auckland is at a marked disadvantage when compared with Sydney.

"The danger to the industry is now more imminent, because an agitation has been started in Germany for an increased export duty, to assist the manufacturers in the present crisis; and if, as seems not improbable, their request is granted it is evident that the situation will become even more serious than it is at present, and some action by the Government is urgently needed, for comparatively small shipments will utterly derange a market so limited as that of New Zealand, and the sugar once imported must be sold, whatever the result to the shipper. Such action in the direction of levying a higher duty on beet sugar is amply justified, moreover, by the recently-reported exclusion of frozen meat from Germany in the interests of the agricultural class."

(No. 2.)

"Sir,— "Auckland, 29th April, 1895.

"I have the honour to bring before your notice the disabilities under which this company labours in regard to its sugar-refining business in New Zealand through having to compete with importations of foreign sugars, and to request that you will take this matter into your serious consideration, with the object of granting us some relief from the competition to which we are now subjected.

"Firstly, as regards beet sugar, the export of which is encouraged by the payment of bounties by the German Government, and a strong agitation is on foot to have this considerably increased, in order to protect their manufacturers against the ruinous prices which they are receiving for their sugars. And in France there is an indirect bounty of £4 to £5 per ton on exports. This unfair competition was recognised in Victoria by putting a duty of £6 per ton on beet, the duty on refined being £3 per ton and on raw sugars £2 per ton.

"Secondly, as regards refined cane sugar from China, Queensland, Mauritius, and other parts, on account of their immunity from certain taxes which this company has to pay, and the benefit this colony derives from the establishment of such an industry as ours. In Victoria, where, until recently, there were three refineries in operation, the Government granted protection by putting on a differential rate of duty of £1 per ton on all refined sugar imported into that colony, recognising the fact that, in consideration of the local refineries being large employers of labour, and thus, and in the purchase of local supplies, being large distributors of money, they were to that extent entitled to some consideration as against those who carried on refining operations and spent their money outside the colony.

"In support of our request for protection against outside competition I may mention that for the year ending 31st December, 1894, we paid out in cash at our Auckland office close on £150,000: Stamps and exchange, £1,146; land- and income-tax, £761; Customs supervision, £250; business license, £200; municipal taxes, £150; wages, employing from 80 to 120 men, £250 to £300 per week, £15,000; cartage, £525; wharfage, £1,780; local coal, with wharfage, £4,848; railage to Manukau, and freight thence, £1,200; tinsmith and timber company's account, tins and boxes, £2,500; ironmongery, and duty on ditto, £1,725; rent, £250; insurance, £1,154; lime, £150; oats and produce for Fiji plantations, £6,000; for sugar purchased from Estates Company, £7,877; freight on sugar from Fiji, &c., £24,466; Fiji orders cashed for families in New Zealand whose friends were working in Fiji, £2,591; Bank of New Zealand for mill orders cashed in Fiji, £60,886; duty paid to Her Majesty's Customs, &c., £57,000, &c.

"The company, at the commencement of its operations, built two substantial wharves in order to facilitate the reception and delivery of goods, which it constructed at its own expense. These become the property of the local Harbour Board—*i.e.*, they levy wharfage exactly the same as over wharves built with the ratepayers' money, but with this difference: that we have to bear all cost of wear-and-tear, and keep them in good order, while they are a great convenience to neighbouring settlers. The original cost of these wharves was between £9,000 and £10,000, and maintenance, with interest on outlay, amount to close on £1,000 per year. We have to pay two wharfages on all sugars we ship to southern ports, whereas foreign sugars only pay one wharfage.

"We have also to pay wharfage dues on the hessian we import for making bags, and wharfage and duty on all machinery which we import, from which sources the Government and local bodies derive no revenue whatever in the case of foreign sugar imported for immediate consumption.

"Taking all these matters into account, it appears that a foreign company having an agent in New Zealand can sell there the same quantity of sugar as we handle, and be at an advantage over us, in wharfage alone, to the extent of £2,000 per annum as regards their expenses, notwithstanding the benefits derived by the colony by the establishment of the refinery at Auckland, which contributes largely to maintaining the trade of Fiji with New Zealand, and of giving employment to a large number of men both directly and indirectly; in the latter way, for instance, by creating work for miners at the local collieries, whence the bulk of the coal used by us is obtained, and in lime-kilns, brick-yards, and timber-mills, &c.

"Reverting to our assertion that there is a bounty paid on the German sugar exported from that country, I have put in four copies of the *Produce Markets' Review*, a standard publication, which contains articles in support of the statement, as also of the Government granting increased bounties.

"Some may, perhaps, argue that our request to be placed on a more equal footing to compete against China, Mauritius, and beet sugars should not be granted, as it might give us a monopoly, and tend to raise the price of sugar to the consumer; but I would point out that the principal competitors for the sugar trade in New Zealand outside our company are Mauritius and Queensland planters and Hongkong refiners, who must get rid of their surplus product, no matter what are the prices ruling, and that the partial exclusion of beet sugar until producers of it are no longer subsidised by their Governments cannot alter the prices fixed by the close competition between my company and the shippers I have named, whose supplies are drawn from colonies producing annually at least 600,000 tons sugar.

"The annual consumption of this colony is about 30,000 tons, of which we supply about 60 per cent. Our output has suddenly dropped from 480 tons per week to 320 tons, which I attribute to the recent reports of German houses proposing to flood the market with large shipments.

"W. W. PHILSON,
"Manager, Colonial Sugar-refining Company (Limited).

"The Chairman, Tariff Commission, Wellington."

I also wish to put in the following extracts:—

(From C. Czarnikon's *Weekly Circular*, 7th February, 1895.)

"*Sugar.*—The event of the week has been the proposed change in the German Customs legislation, viz: (1) With the aid of an increased home duty of 3s. per hundredweight; (2) of a progressive tax on the larger factories; and (3) of an annual grant up to £500,000 from the Imperial Exchequer to form a fund of nearly £2,600,000 for paying an export bounty of 2s. on raw and 2s. 6d. refined, instead of 7½d. raw and 1s. refined as hitherto. This, with present prices of wheat, would naturally mean largely increased sowings of beet, but it is proposed to somewhat check them by the above tax on manufacture, viz: (1) Of 2s. per hundredweight on any quantity exceeding by over 5 per cent. the normal seventy-five days' work, any new factories being admitted at the normal average quantity; (2) of 1s. per ton sugar on the first 500 tons exceeding 2,000 tons (which are free), and an additional 1s. per ton for every one of five additional series of 500 tons up to a total output of 5,000 tons, when the progressive rate is raised to 2s. per ton and series, the maximum being £2 per ton sugar. Supposing now that a moderate normal crop takes 75 + 5 = about 80 days', a big crop 100 days', and an enormous crop 120 days' average work, the factories' account stands as follows:—

"The factory will pay if worked—

	In 80 Days. £	In 100 Days. £	In 120 Days. £
For 2,500 tons	25	1,000	1,000
" 5,000 "	525	2,250	3,460
" 10,000 "	4,775	6,475	8,058
" 13,500 "	10,725	11,325	12,525
" 16,000 "	15,725	15,945	16,392

"The factory will receive per ton—

New Bounty. £	For 80 Days. £ s. d.	For 100 Days. £ s. d.	For 120 Days. £ s. d.	Old Bounty. £
5,000	1 18 9½	1 12 0	1 12 0	1,562
10,000	1 17 10½	1 11 0	1 16 2½	3,125
20,000	1 10 5¼	1 7 0	1 3 10½	6,250
27,000	1 4 1½	1 3 3	1 1 5½	7,812
32,000	1 0 4½	1 0 0¾	0 19 6	10,000

"Beyond the normal quantity the fabricant gets no bounty (instead of 7½d. per hundredweight hitherto), but he is not fined either, and is evidently so much better off that transgressions will have no terrors for him, especially not for the larger one, against whose expansion the law was directed. Everybody will sow liberally in order to provide against the possibility of missing the full bonus through bad harvest or quality. Some modifications will probably be introduced. The factories do not want the tax on manufacture, and justify the higher bounty, especially by the French premiums, which, at 30fr. above 7¾ per cent. yield, will probably be over 3s. 3d. per hundredweight raw sugar. Belgium is estimated to pay considerably more, but Austria pays 1·60 florin per bag on a maximum export of only 3,125,000 bags, and the prospect of getting nothing on any excess has not prevented sowings to produce an export quantity of 7,000,000 to 7,500,000 bags; thus bringing the average bounty down to 7d. per hundredweight on export (on home consumption the actual bounty calculates higher), notwithstanding the increased cost of transport to Hamburg. The Austrian producer will now be truly justified in clamouring for a higher bounty, and, though everybody knows that another crop of 3,000,000 tons (barring colonial failures) may be worth little over £35,000,000, whilst a crop of 4,000,000 tons would easily fetch £40,000,000 and more, yet the difficulty, as with standing armies, is to come to an understanding. Germany has, even under a low bounty, increased her production proportionately more than other countries, and the increase (and probably more), if adopted and backed up by sowings, will go into the pockets of English and American consumers, in addition to the millions to be sacrificed for our sake all over the sugar-growing globe, including, unfortunately, our own colonies, until some countries retire from the struggle. With anybody doing all this for us it is not as yet our business to quarrel—as consumers.

"The proposal is not official, but patronised by the Government. It is probably not entirely to the taste even of the German industry, and may be modified, especially if Austria begins to agitate; but something will be done for higher bounties, and therefore the slight chance of bad spring weather would be almost the only hope of the market for the next few months. Speculators were therefore rather inclined to sell during the week, causing a decline of 3d. per hundredweight. It may be that the prospect of an increased home duty will create a consumers' demand in Germany, but the higher export bounty would probably not be allowed on old sugars, and there will be plenty left for export during the summer."

(From *Produce Markets Review*, 29th December, 1894.)

"Following on the recent debate in the Reichstag, strange suggestions for remedying the present sugar crisis come from Germany. It being evident to every one that the existing low prices are caused by the production having outstripped the consumption, a remedy is sought by further stimulating the supply of a commodity that is already superabundant, instead of by encouraging the greater use of sugar, as would seem to be requisite under the circumstances. Such a cure can only make the disease worse, first by further gorging the already overglutted markets of the world, and next by still further burdening the already overtaxed German nation with the load of the increased bounties. In the short period of seven years the German production has risen from 900,000 tons of sugar to 1,800,000 tons, and has thus doubled. The home consumption of sugar in the same period has only risen 200,000 tons, or about one-third more than what it was in 1887–88. In the past ten years the yield of sugar has risen from 11·10 per cent. of the weight of the roots to 12·99 per cent., and the quantity of beetroots required to produce a given quantity of sugar has fallen in the proportion of from 9·01 to 7·72. Further, the growth of the beet even at the present prices of sugar appears still to be more profitable than the growth of any other current agricultural crop. To add to the bounties at the present moment would therefore not only be suicidal, as aggravating the whole of the evils of the situation, but it would clearly be unfair to the farmers as a body. If they are to be kept prosperous at the cost of the taxpayers generally it would only be equitable that all agriculturists alike should be equally treated.

"At the present time the Germans export two tons of sugar for every ton they make, which is only natural, considering that its retail price in its place of growth is something between double and treble what the same sugar is sold for in English shops, after paying freight and charges across the Channel. Yet authorities in the German sugar world are to be found to advocate a further increase in the home duties, in order that sugar may be made dearer in Germany, and still further depressed in value in England. What could be the result of a policy so wanting in commonsense? Simply, as sugar is already superabundant in England, that the price here would fall to the extent of the increase in the bounty. If German sugar can be sold here with a profit next season (with beetroots at about 12s. per ton) at 9s. per hundredweight, the bounty being, say, 7d. per hundredweight, a further bounty of 1s. would simply bring the selling-price here down to 8s. The German taxpayer would thus give us a further £1,000,000, or £1,250,000, and get absolutely nothing at all in return, except a smile at his ignorance. The discussion of such projects at the present moment by parties interested in relieving the existing depression seems strangely ill-timed.

"Nothing can more effectually tend further to add to the existing semi-panic in sugar, and to prevent all improvement, than the prospect of increased sugar-crops in Germany. The bait held out to the Government is even stranger. It is that the German nation should pay £8,000,000 in sugar duties instead of £4,800,000, in order that a further £1,000,000 or so should be wasted on John Bull, and that the net revenue, after paying the bounty, should be increased, say, £2,500,000. In other words, it is seriously argued that it would be a gain to the German taxpayer to pay £3,200,000 more—£1,000,000 or so to be wasted on us, and the balance to be absorbed in the general expenditure. Continental writers, indeed, generally talk as if a tax was a gain to a people instead of a loss. The most obvious remedy would have been to abandon the bounties, and, so far as practicable, the duties, till the price of German sugar at home fell to its level in England, and a stop was thus put to the feverish and unwholesome growth in manufacture. This applies to all the great sugar-growing nations of the Continent, as the following table will show:—

"*Consumption of Sugar and Population.*

	Tons.	Population.	Per Head (lb.).
Germany	643,000	50,000,000	28·81
Austro-Hungary	370,000	38,000,000	21·81
France	482,000	38,000,000	28·41
Russia (in Europe)...	600,000	92,000,000	14·61
United Kingdom	1,250,000	38,000,000	73·68

"The German consumption, on the English scale, would be 1,700,000 tons a year, and the Austrian and French consumption would be 1,250,000 each, figures that would at once turn the existing surplus supply into a great deficit. It is nonsense to say that there are some special circumstances in our climate or diet that make us large sugar-eaters, for it is not so very long since our consumption was on something like the German scale. It is all a matter of price, and German sugar ought obviously to be cheaper at home than it is here, instead of being so much dearer.

"If the German Government is afraid of dropping its bounty system while others continue it, there may surely be an opening for negotiations between the nations concerned to mutually give up the system. The difficulty of the existing smaller yield in France might be met by mutual agreement to allow so much bounty to be given, till the cultural systems of the countries were equalised; not that we recommend such a course, but that it is in consonance with the antiquated notions of political economy still current in countries that consider themselves, and in some respects justly so, as among the leaders of civilisation. In questions of revenue and protection it is

only too clear that the Continent generally is hastening to some frightful convulsion. Militarism makes an appalling drain upon its resources, and, instead of meeting this in an equal way, it is made the excuse for every sort of direct and indirect burden upon the working-classes, and of illicit gain to the rich. We have had far too much that is wrong in our own social system to be above reproach, but, whatever is amiss here, the governing-powers do their best to be equal in their exactions, and not to make the revenue an opening for plunder by the few at the cost of the many."

(From *Produce Markets Review*, 5th January, 1895.)

"Another reflection suggested is that our sugar consumption, allowing for the annual increase in population, has been practically stationary for some years past. Even the exceedingly low prices of the past few months seem to have had no appreciable influence upon it. Our poor green-fruit crop no doubt partly accounts for this in 1894, and the extremely low prices have only been current for a short time. Still, it looks as if an increase in our sugar consumption by the old leaps and bounds is no longer to be looked for now that our use of sugar is on such a scale that practically every one can have as much as he cares for. If this be so, it seems suicidal for the German Government to add fresh supplies to our overburdened market by the grant of greater bounties, which can only increase the production, while the cost of the bounties will lead to a decreased consumption at home without stimulating the demand in England, the chief extraneous consumer. Some German authorities are of opinion that if their Government will only increase the bounty sufficiently they can crush cane competition. In our opinion, it is far more likely to stimulate it by putting colonial planters under the absolute necessity of bringing up to the level of the age their still most antiquated systems of cultivation and manufacture. With a consolidation of estates that would permit of the erection of large factories there is nothing to prevent the West Indies from continuing to compete even at the present prices. After all, the cane-crops of the world (including, say, 2,000,000 tons for the non-exported produce of India) probably amount to some 8,000,000 tons a year, and are larger than they have ever been. To crush so formidable an opponent, even for a time, the German nation would probably have to spend some £40,000,000 or £50,000,000 a year, and directly so preposterous a bounty ceased the cane-crops would recommence. Such proposals are thus obviously silly."

(From *Produce Markets Review*, 19th January, 1895.)

"The agitation in Germany with reference to the sugar crisis continues, and the great agricultural interest seems to be moving strongly in favour of an increase in the bounties. It is perfectly obvious to the English sugar trade that such a measure would defeat its own object, and that if the export premiums go up prices will fall to at least the same, and probably to a greater, extent. On the other hand, it is equally clear that the true remedy lies in endeavouring to increase the Home consumption in Germany, which is almost absurdly small when measured by an English standard. This fact is not to be gainsaid, but German protectionists do not accept the explanation that sugar, owing to the operation of the fiscal system, is much dearer at home than in England, so that the German people are prevented from using their own produce. It is gravely argued that the greater excess per head in the consumption of this country is due to our partiality for warm drinks. It is to be supposed that by this our consumption of tea is meant, but the sweetening of that commodity, as a matter of fact, plays a comparatively small part in promoting the consumption. Besides, the Germans themselves are partial to warm drinks, although their chief non-alcoholic beverage is coffee instead of tea, the proportions used of the two being reversed in England and Germany. Our consumption of tea and coffee together is about 6lb. per head, and that of Germany is about the same. The Germans also drink chocolate more than we do. It may be argued that four times as many cups of liquid are made from 1lb. of tea as from 1lb. of coffee.

"On the other hand, a cup of coffee requires a good deal more sugar than a cup of tea. The consumption of tea is also becoming considerable in Germany; and, judging by the number of cups of washy liquid that a pot produces there, a given weight of tea goes three or four times as far as it does here, and may be supposed to require sugar in the same increased proportion. We do not know whether the Germans are so hard put to it for sugar as the French are, but it is a common practice for a middle-class Frenchman to openly pocket any surplus sugar supplied for a cup of coffee in a *café* or restaurant, to the intense amusement of the British tourist, who would no more think of doing this than of walking off with the spoon. The fact is that the Continental argument that the fondness of the English for warm drinks explains our great sugar consumption is simply absurd. We are no fonder of them than our neighbours are, though the greater cheapness here of all such commodities may make our consumption a little larger. The much longer and severer German winter would in itself lead to a greater use of warm beverages than is the case here, if reasonable fiscal arrangements existed.

"As a matter of fact, our large sugar consumption is to a great degree due to cakes, biscuits, jam, aërated waters, and fruits, tarts, and puddings. Very good lemonade has in quite recent years become common enough on the Continent, but our familiar ginger-beer is unknown there. As regards jam, the thing appears to be practically unknown. It is true that in Germany rather sour preserves are served up with meat in a way that is very disturbing to an English palate. Possibly the natural craving of mankind for sugar is to some degree met by these acid condiments, which perhaps requires the correction supplied by sauerkraut, which we profanely regard as decayed salt cabbage. No doubt, also, in private families in Germany the lady of the house often herself makes delicious preserves of a high-class character. But anything like our great jam and confectionery factories are totally unknown; nor do cakes, &c., form there an appreciably large article of consumption, as they do with us. Yet, compared with Germany, our domestic fruit-crops hardly deserve mention; and the prices and fine quality of cherries, plums, peaches, pears, &c., there are something surprising to the English visitor. In fact, the immense supplies of fresh fruit in Germany show that it is, or ought to be, one of the chief minor agricultural interests. It is not so apparently,

and thus the sole explanation must be the dearness of sugar. The fruit ripens and must be eaten in a few months, since the people cannot afford to preserve it. Even the beautiful crystallized and other fruits made in the south of France could be quite as well made in Germany were it not that sugar is so dear. The German people thus waste enormous resources in fruit, for which their climate is much better suited than ours, and insist on wasting the sugar that might help them by sending it at a loss to England. As an actual matter of fact, Dutch strawberries are sent to Scotland and preserved there with Dutch sugar at a cheaper price than the Dutch themselves can make strawberry-jam. Holland, we know, is not Germany, but doubtless the latter country receives considerable supplies of English jams preserved here by German sugar.

"Another argument in favour of increased German bounties is that if they are raised it will be more easy to persuade France to give up her bounties. This is surely a most inverted method of reasoning. Such a proceeding on the part of Germany, on the contrary, is almost certain to give a fresh opening to the specious arguments of the French protectionists, and to lead to a fresh exaggeration in their turn of the French bounties. The French producers are already well aware that the Germans produce sugar some 2s. per hundredweight cheaper than they do, and they own that their own higher bounties are already insufficient to equalise matters. How, then, could things be bettered if the Germans increased their bounties? In the present temper of France there could, we fear, be no doubt that, instead of being any improvement, things would become much worse. The Germans might gather how such proceedings are regarded by nations as ignorant as themselves of political economy from the reception their sugar bounties receive in the United States. Our American cousins are shortsighted enough to shut out German and Austrian sugar simply because of the bounties. When the Germans smite the American sugar-growers it is regarded in Germany as a righteous act, but if the American consumer supports his own people, the wrath of the Teuton is raised, and he retorts by refusing to eat bacon or meat raised in the United States. This is certainly a very pretty quarrel—to see two great countries disagreeing because their mutual produce is too cheap. It becomes a question whether a serious tariff war will not follow on this precise point of bounties between Northern and Continental Europe and North America. Surely it is a ludicrous position for a great empire like Germany to take up, and it must be obvious that further bounties will only be a *reductio ad absurdum*. Germany makes sugar dear at home and insists on ramming it down Brother Jonathan's throat at a loss, and, because he refuses the gift, Germany goes further and rejects cheap American bacon, thus raising the already extravagant price of living in the empire. No wonder emigration goes on at an alarming rate, and that the chief preoccupation of the Government is the socialist spectre evoked by empty stomachs and insufficient clothing.

"Of course, the main advocates of increased bounties in Germany are sugar-growers, who wish to continue to feed on the taxpayer. There are, however, also many well-meaning and patriotic people, partly blinded by protectionist theories, but honestly wishing to keep up what they partly consider a great and creditable national industry. Some of these, while willing to increase the bounties, appear to desire to limit their total amount, and to impose a check upon increased production. Supposing a limit of this sort to be arrived at, they think that prices in consuming markets, such as England, would not fall so much as they otherwise would, and, at any rate, that the further sacrifices of the taxpayer would be kept within bounds. Such a complete balance is, we fear, quite chimerical, and the compact sugar interest would probably be too clever for the Government, even if the French did not at once upset the equilibrium and increase their bounties, as would probably be the case, when the task would have to be commenced anew. Supposing, however, that such an incredible thing as an exact balance were possible, then the great fall in the price of sugar would simply be made up to the producer at the cost of the German taxpayer, and for the benefit of the English consumer. The question would then arise why the German-grown corn, or potatoes, or any other crops, all of them as low in price proportionately as sugar, if not even relatively cheaper, should not also be maintained in comfort by the taxpayer, till the latter, with all the claims upon him, would sink into the abyss. Some of the German sugar trade appear unprincipled enough to suggest that the Fatherland has only to do a little more to beat cane sugar out of the field, at the cost of the strangely patient German populace. We showed recently that such a task would probably call for an annual sacrifice of £40,000,000 a year, or, say, 15 marks, or 1s. per head for every man, woman, and child in Germany; while, even if such a sacrifice were possible for a year or two, the industry must revive the moment the subsidy was withdrawn. The fact is that the arguments of the German sugar-producers appear to be so feeble that they might better be addressed to children than to astute statesmen. Possibly, however, it is thought that the German authorities, whatever else they may be, are but babes in political economy. In the meantime John Bull is evidently going to have a good time, and the German Sampson is going to keep on supplying him with sweetness out of his strength. We have but to open our mouths and shut our eyes and take what good things Germany will send us."

(From *Produce Markets Review*, 9th February, 1895.)

"It appears clear that the German Government is about to raise the sugar bounties. The Minister of Agriculture, Herr von Hammerstein, on the 29th January, made a statement on the subject, showing that a Bill is being prepared with a view to raising the duties on home consumption, and thus to procure the funds necessary for the purpose. The strange argument was used that the German consumer could not seriously expect to receive his sugar at a loss to the producer. The Government therefore kindly proposes to step in and to transfer the loss from the producer to the taxpayer, and also to make him pay still more for distributing German sugar in England below the cost of production. The Government also has in view some scheme for fining the large factories in Germany, with a view to discouraging an increase in production, and to encouraging small factories, thus leading to greater competition. The Minister of Finance, Dr. von Miquel, argued on the 30th that production cost more in a small than in a large factory, and that here again a paternal Government should step in to equalise matters, instead of leaving matters to the operations of the

ordinary laws of political economy. A Bill carrying these ideas into a practical form has been introduced to the Reichstag by a private deputy (Privy Councillor Von Paasche), but it would serve no good purpose to follow out the details. The result of these various events has, of course, been a fresh fall in the price of sugar here, for whatever increased subsidy the German Government is ill-advised enough to grant will simply fall into our pockets. Supposing, also, that the proposed changes take place, the Austrian, French, and possibly the Russian, beet-growers will at once begin to agitate for greater bounties, with the result of an even more unmanageable glut of sugar in England than the one that now exists."

960. *The Chairman.*] I understand that, in the first instance, you ask for a discriminating duty as against imported beet sugar?—Yes. We ask for an increased duty on beet sugar of £2 per ton, making £6 13s. 4d.

961. Can beet sugar be easily distinguished from other sugar?—I believe an expert can tell the difference, but in Melbourne, where they levy a duty of £6 per ton on beet sugar, I understand the Customs have no difficulty in discovering the difference. But there the onus of proof is laid on the importer, who has to declare on oath that the sugar is produced from the cane.

962. You have spoken of sugars other than beet sugars: do you prefer any request regarding them?—We consider that, on account of the advantage our industry is to the colony, we are entitled to consideration, but the question as to the extent of such consideration we must leave to you. We think that £1 per ton is not an unreasonable amount of protection to ask.

963. How do you propose to assess this duty?—Upon all refined sugar coming into the country, excepting through the hands of our company. Our sugar is imported in the raw.

964. Do imported raw and refined sugar both pay the same rate of duty?—Yes, there is no difference.

965. If this duty were imposed, would not the result be to raise the price of your sugar by £1 per ton?—No. At present we have to compete with people who spend their money outside the colony, and we are at a disadvantage in competing with them to the extent of £1 per ton, represented by the disabilities we suffer from, as set forth in my letter attached.

966. But what safeguard is there against the price being raised, assuming the duty were imposed?—I think that the following clause in my written statement covers that point: "That our close proximity to Mauritius and Queensland markets, where the production is far in excess of the consumption, necessitating the disposal of a portion of their surplus, will always be an effectual safeguard against our having control of the market, and of being able to fix our prices."

967. But that paragraph only deals with the proposed exclusion of the beet sugar. It does not deal with the question of putting a duty of £1 per ton on the other sugar?—The position that we are placed in is this: While we are endeavouring to build up a trade in New Zealand we are brought into unfair competition with countries that have, you might say, an unfair monopoly in this product. The sugar sent down here from China, Mauritius, or Queensland is simply their surplus product, which they cannot get a market for in their own country, and which has to be sold. They cannot accumulate stocks in those countries, and therefore it is sent here, and it has to be sold.

968. Do you ask that machinery should be admitted free?—That is a desirability that would be covered by the granting of the increased duties on imported sugar.

969. Provided that you obtain this extra protection you would confine your request to the other two points?—We should ask for nothing further at present.

970. You simply put in evidence the fact that you do pay duty upon your machinery as an argument in favour of your other proposals?—Yes. The payment of duty upon our machinery is one of the disadvantages that we labour under.

971. *Mr. Stevens.*] There has been some talk of establishing beet-growing in New Zealand for sugar-making purposes. If the necessary supply of beet were grown here, could your company manufacture the sugar?—I am not in a position to say definitely; but, with some alteration to our machinery, I do not doubt that we could, because in some English factories they manufacture both cane and beet sugar together.

972. Do you think that the production of beet in New Zealand would enable you to compete against the imported sugar?—I think there is no doubt of that. It would mean giving us protection equivalent to about £4 13s. 4d. per ton, because I presume that there would be no duty levied on sugar produced in the colony. In Sydney there is a duty of £6 per ton on imported refined sugar, but the sugar produced in the colony pays no duty.

973. Would not that answer your purpose, or pay better than refining the cane sugar, provided that a sufficient quantity of beet could be grown in this colony?—It is a matter that we have not considered, since our opinion is that beet sugar cannot be grown in the colony in the quantity required to pay.

974. Not in this locality?—Our opinion is that beet sugar cannot be grown in the colony at a price to compete against the price of cane or beet sugar produced elsewhere.

975. For what reason?—Partly on account of the area of ground required, owing to the scattered area of suitable land, and partly on account of the cost of labour.

976. But, supposing that your mill were placed in a locality where there were a sufficient number of farmers to undertake to supply you with the required quantity of beet per annum, would not that considerably assist you?—I cannot say what would happen under those circumstances; but if there had been a possibility of growing beet in New Zealand at a favourable price, and at a price to compete with the cane sugar produced in Fiji, or with the raw beet sugar from Germany, our company would have considered the question of producing beet sugar ere this.

977. The best results that have been obtained are about 8 tons of beet to make 1 ton of sugar, I believe?—In Germany, I think that 13 per cent. of sugar is obtained from beet, but I do not think that the French get 10 per cent. On the Continent, where everything is in favour of beet-growing, such as quality of land and cheapness of labour, the people cannot make the industry pay without enormous bounties.

978. *Mr. Hutchison.*] Have you satisfied yourself that the beet sugar cannot be successfully produced in this country by proper inquiry?—We have, I understand, made these inquiries on the Continent, and we have come to the conclusion that under existing circumstances it would not be financially possible to produce the beet sugar here to compete against beet or cane sugar produced outside the colony.

979. You do not deny that the beet can be grown here?—No; I think that we have sufficient evidence that we can grow beet in New Zealand.

980. And grow it successfully as far as obtaining a good crop is concerned?—Yes.

981. Have you ever made any inquiries as to the possibility of growing it here successfully for sugar production?—No; because I do not fancy that it has ever been grown in New Zealand under the conditions required for the supply of a sugar factory.

982. And, believing that, you have not troubled yourself about the matter at all?—No; because we have formed the opinion that, supposing the beet could be produced here, other matters are not equal, and that the other difficulties would kill the industry. If the beet cannot be produced to pay in Germany without the aid of the Government bounty, then it certainly could not be produced here.

983. Assuming that the bounty were given here, could it be done?—I cannot say. For eleven years we have been unable to obtain the protection we have asked for our present industry; and we have no reason to expect that we should be able now to obtain a bounty from the Government for the production of beet sugar.

984. Not for your sake but for the farmers' sake I ask the question?—We look upon ourselves as part and parcel of the country, and entitled to consideration the same as the farmer. Our interests are identical.

985. What would be your total annual expenditure in connection with your Auckland factory?—The total outgoings, exclusive of duty paid, would amount to about £150,000 per annum. This would include all payments on account of mill orders, for employés' wages, &c., cashed in Fiji.

986. I think you said that the annual wages amounted to £16,000?—From £12,500 to £15,000.

987. Would not that amount strike a stranger as being rather small in comparison to the sums expended upon other items?—The only other item that exceeds it is "Freight on sugar from Fiji, £24,000."

988. What wages do you pay your employés?—They vary, but I imagine that a comparison of our wages-sheet with that of other factories would show that we pay higher wages than any other factory in New Zealand. Our wages-sheet can be obtained from the Labour Department.

989. *Mr. Tanner.*] What other factories?—Say, flour-mills or timber-mills.

990. *Mr. Hutchison.*] Could you give your figures?—Not on the spur of the moment, but the wages run from 7s. to 10s. per day for adults.

991. Is it all adult labour that you employ?—We employ some boys, for washing bags and for tinning syrup.

992. What wages do you give the boys?—From 12s. 6d. to 15s. per week.

993. *Mr. Tanner.*] How many boys are there amongst the seventy-five or eighty employés?—About ten to fifteen.

994. The figures that you have given as to the total amount of wages paid do not work out when computed upon the average wages earned by men and boys. How do you arrive at your estimate, £12,500 to £15,000?—By reckoning an average weekly wages-list of £250 to £300 for fifty weeks.

995. But you have not at all proved that you pay £300 per week?—Our operations vary; sometimes work is brisk, at other times dull. Sometimes we have a hundred and twenty hands employed.

996. And when work is slack a smaller number is engaged?—Yes; at present £250 would represent our weekly wages. I consider that I was perfectly correct in giving from £250 to £300 as the average amount of weekly wages.

997. Of course you were; but your original figures dealt with the present situation, and therefore they did not agree with the figures given in answer to Mr. Hutchison, which, I understand, referred to the normal position of the works?—Certainly not; the estimate of wages was stated to be for the twelve months ending the 31st December, 1894, as an average of between £250 and £300 per week. I did not refer to any particular period.

998. You said that your principal competitors are the Mauritius and Hongkong refiners?—Yes, and Queensland.

999. By the term "refined" I presume you mean that those places export refined sugar as against yours?—Yes.

1000. Do you know how much refined sugar has been imported from Hongkong during the twelve months covered by the last returns?—No.

1001. In 1888 we imported from Mauritius 95,000cwt. of refined sugar, and in 1893 not a single pound. How does that fact agree with your statement that the Mauritius refiners are amongst your principal competitors?—Of course, I am speaking at random on the subject, not having the returns, but I am aware that the importation of sugar from Mauritius has been on a descending scale. During the season 1893–94, 21,000cwt. were imported from Mauritius, and for 1894–95, 30,000cwt. have been received, as shown on Bright Brothers' circular handed in. Also, Mauritius and China sugars are frequently shipped to New Zealand from Victoria and New South Wales, which colonies supplied 108,000cwt. to New Zealand during 1893.

1002. In 1888 we imported from Hongkong 27,000cwt.; in 1893, 2,700cwt. Is not that also on a descending scale?—Undoubtedly, but reshipments to New Zealand may have been made by Victoria or New South Wales.

1003. Take China: In 1888 we imported 24,000cwt.; in 1893, 1½cwt. From Java we imported in 1888, 30,600cwt., and in 1893 nothing?—Those figures, of course, refer to the raw sugar imported by us for refining purposes before our Fiji sugars were ready.

1004. Which means that you derived your supplies from foreign countries prior to obtaining the Fiji sugar?—Yes.

1005. *The Chairman.*] I think that you had better give the Queensland importations, Mr. Tanner, as it would be only fair to the witness?—From Fiji the importation in 1893 was the heaviest for years.

Mr. Tanner: From Queensland the importations showed a large increase—namely, in 1888, 16,000cwt.; in 1893, 70,000cwt., of refined sugar; in 1888, 10,000cwt.; and in 1893, 20,000cwt., of raw sugar.

1006. *The Chairman.*] Do you know if beet sugar is imported into the colony?—I have been informed so.

1007. Do you know in what quantity?—I could not say; there are some sugars that appear under the heading of "imported from Australia and United Kingdom," but they are often transhipped there for New Zealand, and it is difficult to tell where they are originally consigned from. Some might be Beet, China, or Mauritius sugar transhipped at an Australian port.

1008. Do you think that much sugar is sent here in that way?—I believe there is a good deal. I know of two large shipments of beet sugar which came by the "Ruapehu," and another shipment of 200 tons, which were sold at a price at which we could not compete. Some time since a vessel called the "Marianna" arrived in Dunedin with beet sugar from Hamburg direct, but we have no means of ascertaining, other than through the Customs returns, what quantities arrive. The returns do not distinguish between sugars imported direct and those transhipped at Australian ports.

"Colonial Sugar-refining Company (Limited), Auckland,

"Sir,— "9th May, 1895.

"I have the honour to recall to your remembrance a question put to me on the occasion when I was giving my evidence by one of the members of the Commission: "What assistance do you require to enable you to compete on equal terms with beet sugar (*a*) and cane sugar (*b*) imported from and refined outside New Zealand?

"(*a.*) I stated that in order to compete with beet we should be satisfied if the duty were fixed on it at £6 13s. 4d. per ton, or £2 above what is levied on sugar of all kinds at present, in order to countervail the bounty which the German Government pay to exporters.

"(*b.*) Cane sugar: I mentioned £1 per ton as the protection we would require to put us on an equal footing with importers of refined cane sugar. As I understand, it is proposed to levy income-tax on imports by New Zealand consignees, and, if this is so, and importers are placed on same footing as local manufacturers, I would suggest, as an amendment to my proposal, that duty on refined cane sugar remain as at present, and admit raw sugar imported for refining locally at a duty of 10s. per ton less, as under: All beet sugar imported, per ton, £6 13s. 4d.; all cane sugar, except raw, for refining, per ton, £4 13s. 4d.; raw cane sugar, for refining locally, per ton, £4 3s. 4s.

"Trusting that you will bring this suggestion before your colleagues,

"I have, &c.,

"W. J. W. Philson,

"The Chairman, Tariff Commission, Wellington." "Manager.

(**51.**) Deputation from the Employers' Association (Graves Aickin, President, and F. G. Ewington, Secretary).

1009. *The Chairman.*] We shall be glad to hear what you wish to state?

Mr. Aickin: We represent the Employers' Association, and we have been requested to bring before you one matter only. It is the question of the inland charges being added to the invoice for duty purposes, and in connection with this question I wish to put in a letter from Mr. J. Tonson Garlick. Other persons besides Mr. Garlick have made similar complaints, and they think that it is unfair that they should be charged duty upon the cost of getting the goods from the factory to the port of shipment:—

"Gentlemen,— "Queen Street, Auckland, 25th April, 1895.

"I should like attention drawn to what I consider is an unfair charge of duty on imported chairs. The Customs now insist on duty being paid on inland charges, such as rail and cartage from place of manufacture to port of shipment. For instance, in March last I received a shipment of chairs purchased at ordinary catalogue prices. These were manufactured at Gardner, Massachusetts, and shipped to me at New York. Charges from Gardner to port of shipment (New York), £20 2s. 1d; actual price of the chairs, £50 9s. 8d. I am made to pay duty on the additional £20 2s. 1d., amounting to £5 10s. It is only of late this extra charge has been made by the Customs, and I think it is an unjust one. Duty should only be charged upon the price of goods at the place from which they are addressed and despatched, as immediately they are outside the factory-doors they are mine at price invoiced. "Yours, &c.,

"The Executive Committee, Employers' Association." "J. Tonson Garlick.

The Chairman: We have had this question before us from another point of view. The Customs Act provides that the value of goods for purposes of duty shall be the value of such goods in the principal markets of the country from whence the goods are exported.

Mr. Glasgow: Formerly all goods shipped from the United States were invoiced from New York, and the duty was regulated by the New York value. The New York shippers have within the last few years adopted a practice which was not noticed for some time. They invoiced goods at New York prices, but it was discovered that in addition to the usual discount a discount representing the inland charges was deducted, but not uniform in amount, one importer getting a discount of 25 per cent., and another 16 per cent., on exactly the same goods and from the same place. The amounts deducted were not trade discounts in New York, and were consequently

disallowed by the Customs. I believe that Hayward and Co. have recently invoiced direct from Gardner, and I think that they are the only persons who do invoice from the factory, and if Mr. Aickin will place that view before the Commissioner of Customs it is possible that the Commissioner will be obliged to decide that the claim to pay duty on the Gardner value must be upheld.

Mr. Aickin: Then, I understand that if the importer communicates with the Commissioner of Customs that this particular application will be considered?

The Chairman: Yes, and the general expression of opinion on the question will be considered independently by the Commission.

Mr. Aickin: There is a great deal of misunderstanding as to the nature of the Commission, and it is not clear to importers what the real scope of the Commission is.

The Chairman: I will read the Commission. [Commission read.]

Mr. Aickin: The principal wish of the importers is to get the anomalies in the present tariff removed. At present the tariff, in regard to some items, does not bear equally on importers generally, as one importer gets an article in free, while another has to pay an undue amount of duty on the same article.

Mr. Stevens: We have also to inquire into the question of local industries, and to show the effect of our recommendations thereon.

Mr. Aickin: Take the local soap-works, for instance; they all want further protection. The present tariff gives them 25 per cent., and if you give them further protection it simply means increased competition in the manufacture of soap, and would therefore be against the interests of the local manufacturers themselves. We have had instances in this colony, over and over again, where too much protection has had the effect of killing the industry that it sought to protect.

(52.) James M. Mennie examined.

1010. *The Chairman.*] What are you, Mr. Mennie?—A jam-manufacturer, in business in Auckland.

1011. How many hands do you employ?—About fifty. We combine biscuit- and confectionery-making with the manufacture of jam.

1012. What is the annual amount paid in wages?—£70 per week.

1013. What is the value of your annual output in jams?—We turn over between £20,000 and £25,000 per annum.

1014. What representations do you wish to make in connection with your industry?—I should not have troubled you but for the fact that another deputation has asked for an import duty on glass and earthenware jam-jars, and I wish to say a word from the opposite point of view. We have repeatedly tried to obtain an article from the local maker that we could use for putting up our jams, but have been unable to do so.

1015. *Mr. Tanner.*] From Moses Exler?—Yes. I have even gone so far as to offer to pay for materials. I have bought earthenware jars largely from Mr. Exler; but the result has been that the public will not have the jars of local manufacture. We find that the locally-made jars are porous, and are not glazed like the Home article, the result being that the jam does not keep well in them. Another disadvantage is that we cannot get regular sizes. We cannot get a jar which will enable us to say to the public, "Here is a 1lb. jar of jam," or "Here is a 2lb. jar," and to buy the local jars is simply paying a bonus to the local manufacturers. I maintain that they are already sufficiently protected. The same remarks apply to the glass jars; the local maker cannot make an article that is regular in size or even in quality.

1016. You refer to Cook and Son?—Yes; I have tried them repeatedly for years, and I have offered to assist them to obtain materials; but they seem unable to produce a satisfactory article. I think that it would be a gross imposition upon the public to require them to contribute more money, in the shape of additional protection, to the support of these gentlemen, who do not seem capable of turning out satisfactory work.

1017. *The Chairman.*] As a matter of fact, the local manufacturers cannot turn out a suitable article?—No.

1018. If the goods were suitable you would not object to give them extra protection?—No; but the local makers are already protected to the extent of 100 per cent. on the home-made article, reckoning expenses of freight, duty, and other charges. I think that 100 per cent. should be sufficient protection.

1019. Is there any other matter that you wish to bring before the Commission?—I wish to say a word about the fruit duty. I was consulted at the time the present tariff was imposed by the Atkinson Government, and that tariff was a very reasonable one so far as the jam-manufacturers were concerned. I notice that the Commission has been approached by the fruit-growers, who wish to obtain an increased duty on the imported fruit. I wish to point out that in this part of the colony fruit is not produced in sufficient quantity for our requirements. I except apples and quinces.

1020. *Mr. Tanner.*] Are not plums produced in sufficient quantity here to meet your requirements?—No. The growers ask that a heavy duty should be placed on all fruits, but we already pay ½d. on fresh fruits, including raspberries and black currants.

1021. That is not specified in the tariff?—No. When this tariff was fixed we assured Sir Harry Atkinson that practically no black currants or raspberries were grown here, but Peacock and Sons, the jam-manufacturers, had a patent for preserving fruit by sulphurisation, and, seeing that we had to import currants and raspberries, we asked that those fruits should also be allowed to come in at the halfpenny duty. This was conceded; but some of the Dunedin jam-makers, to get away from the halfpenny duty, objected to pay the same, on the grounds that black currants and raspberries were omitted from the tariff, and they have imported them free by virtue of this

omission. I have always paid the ½d. because I have preferred to have the fruit preserved in this way. Regarding the tariff on fruit, in the interests of the public I would strongly protest against an additional duty being imposed, unless it is absolutely required for revenue purposes.

1022. *The Chairman.*] We were informed that in the neighbourhood of Invercargill or Dunedin you could obtain as many raspberries as would freight a ship?—I am afraid not, as I have tried repeatedly. I would send an order to Dunedin every year for 5 tons if I could get them.

1023. Is there any other matter?—No. I do not think that it would be wise to increase the fruit duty, which is already sufficient for all practical purposes.

1024. *Mr. Hutchison.*] You are a free-trader, I presume?—To this extent: that I think it is right enough to protect to a small extent any article that can be produced here, but I do not think that it is right to punish the whole community for the sake of the few.

(53.) Deputation from the Wholesale Chemists and Druggists (Messrs. Charles J. Shaw, representing Kempthorne, Prosser, and Co.; T. Horace Ellis, representing Sharland and Co.; and Graves Aickin).

1025. *The Chairman.*] I understand that you gentlemen appear as a deputation from the drug trade?

Mr. Aickin: Yes. With reference to the duties on drugs and chemicals, last year we made the following representations to the department, a copy of which I hand in:—

"*Report adopted by the Auckland Chamber of Commerce on the 19th ultimo.*

"1. That drugs and chemicals which are now dutiable at 15 per cent. should be held to pay not more than 15 per cent. if such be made up into capsules of gelatine or other material, or into pellets, tablets, pilules, or pills, so long as the maker does not claim the sole or exclusive proprietary right of manufacturing the same.

"2. Proprietary or Patent Medicines.—This shall mean a preparation made from a secret formula whereon the maker or proprietor claims regarding it the sole privilege of making the same, or where the inventor or patentee declares upon the label that the article to which it is affixed has special medicinal virtues, and recommends it for certain complaints, diseases, or disorders.

"3. That all containers—*i.e.*, cases, casks, barrels, baskets, jars, drums, and bottles—shall be free of duty.

"4. That the rate of duty and the levying of the same under the tariff should be uniform throughout the colony. At present the levying of the duty is too frequently anomalous and inconsistent. The Landing Waiter being the arbiter of class under which the article shall be placed, he decides the amount of duty. This is constantly changing and varying, because Landing Waiters, having wide latitude and discretion, hold different opinions, and decide diversely. Such are also found to be frequently arbitrary and unjust. Numerous instances can be quoted where dyers, mining agents, drapers, and others import drugs and druggists' sundries either duty-free or at a different rate of duty than druggists, although identically the same, and used for the same purpose. The invariable practice of the department is to use the utmost ingenuity in construing the tariff interpretation so as to secure always the higher rate, instead of what should be the 'fair rate' of interpretation.

"5. The necessity for tariff reform and the urgency for some simpler method of raising revenue is illustrated by the fact that the 315 dutiable articles in the tariff necessitated over four thousand decisions by the Commissioner. If the number of dutiable articles were materially reduced, with the aggregate value maintained by adjusting the remainder, it would be of immense advantage to the commercial community, besides reducing the cost of collection."

I think that the tone of clause 4 is rather severe, but I think that I can modify it. The clause is intended to convey this meaning: that the Landing Waiter at present is the sole arbiter as regards the class under which the article shall be placed, and he decides the amount of duty. It is a matter for interpretation, and each Landing Waiter has his own idea upon the matter, and the interpretations accordingly differ. If the Commission can see its way to simplify the present procedure it would be doing very good work. We do not complain of the amount of the tax, but of the anomalies in the methods of levying it. In regard to clause 1, as an instance, I might mention that bicarbonate of soda at present pays 15 per cent.; if made up into gelatine-coated pellets it pays 25 per cent. We consider this differential rate unfair, and that the article should pay a uniform rate, irrespective of the way it is put up.

1026. *The Chairman.*] Would it meet your view if a percentage of the present rates were levied instead of several different rates?—Such an arrangement would be much fairer than the present method of levying the duty under several rates.

1027. You would agree to an even percentage all round?—Yes. If a dyer imports liquid ammonia he gets it free of duty, but chemists have to pay 15 per cent.

The Chairman: That is in the interest of local industry.

Mr. Ellis: We import it to sell to the dyers, and have to pay the duty, but if they import it they obtain it duty-free.

Mr. Glasgow: I cannot understand how a dyer can import liquid ammonia free, and, if it is done, I think that it is through some misunderstanding.

Mr. Aickin: Both Mr. Ellis and Mr. Shaw can furnish instances where liquid ammonia has been imported free of duty.

Mr. Glasgow: We find sometimes that there is misapprehension in regard to these matters, and inquiry shows that the information often received by gentlemen is not quite correct. I would like these particular cases looked into.

1029. *The Chairman.*] Perhaps it would be better, Mr. Aickin, for you to indicate to Mr. Glasgow the instances you allude to, and they can then be inquired into. Have you any remarks to offer on the question of patent and proprietary medicines?—I am not surprised at the depart-

ment finding a difficulty in regard to the classification of these medicines. There are many anomalies in the present duties, and this clause is simply an attempt at definition. The duty on patent medicines is now 25 per cent., and we think that it should be raised to 40 per cent.

1030. As to clause 3, what is the explanation?—I think that the duty upon containers or casings was first levied under Sir Julius Vogel's *régime*. The importer's argument, which I need scarcely repeat, is that the containers are not merchandise. The anomaly is as follows: A case containing free goods comes in free, while a case containing dutiable goods has to pay 25 per cent. It would be much fairer to charge no duty, as the casings are practically unsaleable—in fact, they mean a loss, as they are often used for firewood.

1031. *Mr. Glasgow.*] With reference to the request that the duty upon patent medicines should be raised to 40 per cent., I would point out that the result will be that most of these medicines will be made in the colony. Is that a desirable thing?—It would create a local industry. Pills and similar preparations can very well be made here.

Mr. Glasgow: Beecham will establish the manufacture of his pills in the colony. We will lose the revenue, and I doubt if much labour will be employed.

Mr. Ellis: Beecham's representative does not consider the sale here of their pills anything like sufficient to warrant them in setting up machinery in the colony to make pills.

1032. *The Chairman.*] You do not think that foreign manufacturers will start here?—No.

(54.) William Frederick Willmette examined.

1033. *The Chairman.*] You are an organ-builder?—A builder of pipe organs.

1034. Are you in business in Auckland?—Yes; I have been here twenty years.

1035. Do you undertake to build organs suitable for churches?—Yes. I have one in hand now; and I built the organ in St. Thomas's Church, Auckland. I think that there is another organ-builder in Christchurch.

1036. What do you ask?—At present I have to pay 20 per cent. on metal organ pipes, fittings, keyboards, stop-knobs, and I ask that this duty should be removed. I make the pedals and wooden pipes.

1037. Are those all the items from which you wish the duty removed?—I would ask that it should be removed from any articles required for the manufacture in the colony of any musical instruments. Formerly there was a piano-builder here, but he left the colony, as his troubles were so great. I do not wish the duty removed from the imported finished instruments.

(55.) Reuben Martin examined.

1038. *The Chairman.*] What occupation do you follow, Mr. Martin?—I am a farmer, and have been thirty years in the Auckland District.

1039. What matter do you wish to bring before us?—I wish to draw attention to the present heavy tariff that is imposed upon our class. I represent the peasant farmers, and we begin to feel that the tariff in many respects is very severe, because the produce of our fields will not return sufficient money to enable us to buy the articles we really require. Boots are a very serious item to the settlers, and I will give an instance as to how the tariff affects us in regard to them. If I sell a hide to an Auckland merchant he deducts the cost of sending the skin to the warehouse from the purchase-money, and hands me the balance. If that hide is returned to this country in the shape of leather I have to pay 25 per cent. duty upon it (if I want the leather), and when I purchase goods manufactured in the colony by local industry the same amount of protection is placed upon them. Upon the pair of boots that I am wearing there is a duty of 2s. 6d., for the sake of assisting a handful of shoemakers, who earn bigger wages than we do. The same remarks apply to drapery, upon which there is a duty of 23 per cent., besides the charges for carriage. Upon a medical truss I have to pay a duty of 3s.; upon my pocket-knife, 3d. These troubles are affecting our class every day, and we begin to think that it will not be possible to live in a country where we have to pay such heavy Customs duties, and where the prices for produce are so low. I ask that the articles I have mentioned shall be placed upon the free-list, and also our tools, for the reason that we are the people who produce the revenue, and without tools we cannot be expected to do anything.

(56.) Letters from Ross and Ansenne, Paint, Oil, and Colour Importers, &c.

Auckland, 10th May, 1895.

Dear Sir,— Re *Oil admitted free of Duty.*

The writer regrets very much that, owing to his absence from Auckland while the Commission was sitting here, he was unable to bring this matter before you personally.

About the only oils admitted free of duty are whale-oils and fish-oils, such as cod-oils, &c. During the last two years a considerable quantity of low-grade whale-oil has been imported into this colony from Tonga, Norfolk Island, &c., to the detriment of the local article, as well as consignments of fish-oil from Japan. On behalf of Mr. H. F. Cook, who has established whaling stations at Whangamumu and Whangaruru (situated fifteen to twenty miles south of Russell), we desire to place the following statements before you, in the hope that the industry will be encouraged.

Mr. Cook has been whaling on the northern coast of New Zealand for the last ten years. In 1893 he obtained over sixty tuns of oil, which realised over £1,300. Last year (1894), owing to extreme competition in price—chiefly Japan fish-oil—the results of the season did not total £800, although the quantity of oil obtained was about the same. This year Mr. Cook, with the assistance of some of his friends, has erected a plant which, costing over £750, will treat the oil thoroughly, and will enable him and his party to work nine months of the year instead of only one season of

four months as heretofore. The estimated quantity to be treated this year will not be far short of two hundred tuns of clear whale-oil. The number of men employed from the 15th May at Whangamumu will be over thirty, at an average wage of £1 15s. per week and found—a total at this station of £52 10s. weekly. At the smaller station at Whangaruru there will be twenty men employed at the same rate of wages. Thus the two whaling-stations will give employment to about fifty men and youths, and pay an average weekly wage of £87, besides providing the men with food and residence, which should cost at least an additional £31 weekly, computing the cost of board and lodging at 12s. 6d. per man weekly.

Hitherto the disadvantage in the industry has been not being able to produce an oil of uniform colour and quality by the old process. Now, with the extensive machinery erected, including a large digester, not only will there be a much larger quantity of oil obtainable from each whale, but the oil also will be of a much better and more uniform quality. We do not for a moment wish you to think that the oil produced formerly was inferior, and by mail we send a sample of last year's oil taken from a cask in stock to-day.

The machinery will also turn the whalebone (hitherto waste) into bone-dust, a sample of which we also send to show the Commission the importance of the industry, if the tariff will put a duty on foreign oils. If this is done there is no reason why other stations should not be established on the northern coast of this colony, where there are fine facilities for whaling. On behalf of Mr. Cook, we ask for cod- and whale-oils to be placed on the same basis as other oils, protecting this oil by placing a duty of 6d. per gallon on imported oils.

We trust your Commission will favourably entertain our letter, and beg to remain,

Yours, &c.,

The Chairman, Tariff Commission, Wellington. Ross and Ansenne.

Dear Sir,— Auckland, 11th May, 1895.

We wish to bring before the Commission some very important matters in connection with ships' supplies to vessels engaged in the intercolonial and foreign trades. As far as this colony is concerned, the great bulk of sailing-ships engaged in the intercolonial trades are owned in Auckland. During the last few years the supplies to locally-owned ships are drawn from Sydney and Melbourne merchants, simply because the principal Australian colonies offer much better facilities for executing such orders. We have made inquiries on this matter, owing to the very small orders received when local vessels are in Auckland, and we have ascertained that ships' stores and supplies can be purchased in Australia at prices which, as matters are now, we cannot compete with.

It may be claimed that we should be able to meet Australian competition, as ships can have their supplies under bond. This is an erroneous idea, as it not only entails additional expense in bond bond rent and charges, but there are no facilities given for having the small quantities which an ordinary vessel requires being repacked under bond. Sydney and Melbourne are the two ports of discharge for our local fleet of vessels. The former port is, or likely will be at an early date, practically a free port as far as Customs duties are concerned. Victoria has recognised the claims of foreign and intercolonial shipping by making its laws on this matter coincide with those of New South Wales. We wish particularly to prove to the Commission that New South Wales and Victoria treat orders received from New Zealand ships in a much more liberal spirit than this colony does. As a natural consequence, our vessels purchase the bulk of their supplies in Australia, and only necessities are bought when the ships come to their home port.

To remedy this grievous state of things there appears only one course to adopt, and that is to place orders received from our vessels engaged in the intercolonial and foreign trades only on exactly the same basis as New South Wales and Victoria do. In New Zealand, both foreign and British men-of-war are allowed a rebate of duty on all goods supplied. This law (to meet Australian competition) should extend to intercolonial sailing-vessels, as in the Australian colonies mentioned. Ships' supplies and stores are packed and shipped under Customs control and when the ship has sailed from the colony, goods supplied under drawback are given effect to in the usual way. We enclose herewith a letter received (in answer to our inquiries) from Messrs. Smith and Kopsen, the largest ship-chandlers in Sydney, relative to the practice adopted in New South Wales. By the laws of the latter colony "drawbacks" are allowed on every article on which duty has been paid, when supplied to intercolonial vessels, except, of course, where the Customs are not satisfied that such goods have been imported into the colony.

Each year trade locally, with locally-owned vessels, is becoming smaller, and we trust that the Commission will carefully consider our letter, and place all firms in this colony on quite as good a footing to supply ships as our competitors in Australia.

We are, &c.,

The Chairman, Tariff Commission, Wellington. Ross and Ansenne.

"Dear Sir,— "Erskine and Clarence Streets, Sydney, 27th February, 1895.

"We duly received your favour of the 20th, asking particulars regarding our system of exporting goods under drawback—presumably ships' stores.

"In order to make the matter clear to you our Customs clerk has drawn a set of *pro formâ* entries, which, with the notes on the back, explain our practice.

"There are, however, exceptions to this rule, where the Collector in person may sanction drawback of duty on broken packages for ships' stores on such lines as dried fruit, &c., where there can be no question about the duty having been paid. The smallest drawback allowed, however, is 2s. 6d. on any one line of goods.

"The kernel is here: It is perhaps needless to say that Mr. Powell [Collector of Customs, Sydney] is a man who interprets the Customs Act liberally, preferring the spirit to the letter, and whilst protecting the revenue he also facilitates business. "Yours faithfully,

"Messrs. Ross and Ansenne, Auckland." "Smith and Kopsen.

(57.) Letter from W. Skeates, Auckland Cycle Company.

Dear Sir,— Auckland, 11th May, 1895.

I was away from Auckland at the time of your visit, or I should, as I intended, have called upon the Commission to try and enlist their efforts to remove the present duty (20 per cent.) on bicycle-tires. Formerly there was no duty, the department placing a duty on because some person or persons imported bicycles without tires, the latter arriving by another steamer, thus avoiding the duty on part of the complete machine. Some correspondence has already passed between myself and the department, and the latter are, we believe, agreeable to the removal of the duty on tires only, provided an extra duty over and above 20 per cent. be placed on bicycles imported without tires. This is exactly what we desire, as, since the imposition of a duty on tires, we have had to sell tires at same price as before duty was put on. If you will kindly advise that an extra duty of 10 per cent. be placed on bicycles imported without tires, and present duty on "tires only" be removed, we shall be much obliged.

We remain, &c.,

For The Auckland Cycle Company,

The Chairman, Tariff Commission, Wellington. W. Skeates, Manager.

P.S.—We have no desire to see any further duties put on finished bicycle parts, yet an extra duty on imported bicycles (complete) would enccurage our industry. Of course, a duty on tires only (which cannot be made here) discourages the industry of bicycle-making.

THAMES.

Tuesday, 30th April, 1895.

(1.) Harold Lucien Harford examined.

Mr. Harford: I am a sauce-manufacturer, residing at the Thames. I have been carrying on the business for fifteen years. I employ, in the season, probably six hands—not less; but they are principally boys and girls.

1. *The Chairman.*] What quantity of sauce do you manufacture in the year?—It varies; but, taking a rough estimate, I might put it down as 2,000 gallons.

2. What is the sauce made from?—Tomatoes; they are all grown at the Thames.

3. What price do you pay for them?—It varies; but I practically pay £7 a ton; but it depends a great deal on the quality of the tomatoes.

4. And what quantity do you use during the year?—I should say, about 10 tons; they are principally grown by the Chinese at Parawai, a small suburb of Grahamstown. I also buy from the Europeans when I can get them, but that is in small quantities. As a matter of fact, I am ready to buy from any one.

5. Where do you get your bottles?—I import them from London; I cannot get them from Auckland, as they cannot be made of a suitable kind there. Those I use are moulded bottles, and they cannot be made in Auckland of the same description: the glass-manufacturers can only make blown ones. I do not think those I use can be made in the colony.

6. Now, what do you ask for?—I shall be quite content if the duty remains as at present. There is no duty now on the bottles I use, and I do not want any. Empty bottles are free. Of course, I should be quite prepared to pay a duty if the sort of bottles could be made in the colony, but they cannot at present. I have no further request to make.

(2.) Robert Nesbitt Smith examined.

Mr. Smith: I am a farmer, at present residing at the Thames. I have been at the Thames about twenty-five years, in business and running a farm at the same time, but I have been living on the farm for about six years, devoting my attention entirely to farming.

7. *The Chairman.*] Will you please state what you require?—I have come before you as representing the interests of farmers. I hold that if more more local industries were established throughout the country the farmers would get on very much better. I urge that a protection duty should be imposed upon all things that we can manufacture in the country. First, as regards fruit, nearly all the farmers grow fruit to some extent, but we find it hard to compete with the preserved fruits from America, especially as we cannot send anything to America without encountering the protective duty which they levy against us. I see that application has been made to you that the duty should be taken off agricultural machinery and farming implements required by farmers. I am not in favour of that. It would not help the farmers a bit. The farmer only buys his ploughs once in a lifetime, but he wants to sell his produce weekly. We have men in this colony able to make the implements, and yet they cannot get a start; and I think it is the only solution to the "unemployed" difficulty to keep the work within our colony, in place of employing people in other countries to do it for us. I see by the blue-books that we spend £112,000 a year for Newcastle coal when there are plenty of people who would be glad to hew out the coal here.

8. *Mr. Tanner.*] Are you in favour of the imposition of a duty on imported coal?—Decidedly.

(3.) James Bramwell Steedman, Farmer and Fruit-grower, and Francis McCormick, Farmer and Fruit-grower, examined.

Mr. Steedman: We are farmers and fruit-growers, and we tin considerable quantities of fruit. We find that the American fruit comes in at certain periods, and it clashes with ours to such an

extent that we can barely harvest our fruit at a profit. I mean American tinned fruit. The New Zealand Government subsidises the steamers to carry the mails from San Francisco to New Zealand, and the Americans, availing themselves of the facilities offered by these steamers, can ship their goods at a price very much cheaper than that at which they could otherwise supply them, and we cannot compete with this. The subsidy we are giving is thus a means of cutting our own throats as far as regards the fruit industry. We find also that there is only one market open to us—viz., Auckland—for the reason that the freight to Wellington and other places is quite as high as it is from San Francisco to Auckland by the direct boats.

9. *The Chairman.*] You are speaking of tinned fruit?—Yes.

10. What quantity of fruit do you tin?—When we commenced to tin we were able to turn out three or four hundred cases in a season, and we were then getting 18s. per dozen for 2lb. tins delivered in Auckland.

11. *Plus* freight?—In most cases we paid the freight; and in those days the San Francisco freight was 3d. a tin; that is about ten years ago; and the goods cost £1 1s. a dozen delivered in Auckland, duty-paid, so we could undersell them by 3s. per dozen. Since then the price of the goods (the San Francisco fruit) has fallen to 9s. 3d. a dozen. We are consequently compelled to reduce our price correspondingly. In fact, just now we can only get about 7s. 6d. a dozen f.o.b. at the Thames.

12. How do you account for the difference of price—that is to say, why can you only get 7s. 6d., as against 9s. 3d. for the Californian?—Because there is a prejudice in favour of American goods, though we all claim that there is a better value in our tins, and that it is quite as good fruit; but we have not the same facilities for packing, &c., that the Americans have. The Americans work in combination, and we have to work individually. By their process and with their facilities they can pack the fruit all of equal size, whilst, although our fruit is equally good, we are not able to insure equality of size—the small fruit is packed with the large.

13. What do you recommend, in view of these things, and in the interests of the colony?—From our point of view, it would be to our interests to have a little more duty placed on imported tinned fruit; but, as that seems to be an unpopular request, I would propose to leave it to Parliament to say what should be done. The present duty—20 per cent.—equals not quite ¾d. per pound.

14. Supposing the duty were doubled, and made 1½d. per pound, that would put upon American goods another 1s. 6d. a case containing two dozen pound-tins?—With that duty we could carry on the industry successfully.

15. Now, supposing such a duty were imposed, and that the result were that your article obtained the command of the market, would the consumption in Auckland and elsewhere enable you to cheapen your methods of production, and so to produce a cheaper supply?—Most certainly; but there is not sufficient land on the Grahamstown Peninsula of a suitable character to enable the industry to be largely extended.

16. Then, if nothing more can be done, it does not seem as if there were an opportunity for the developing of a large industry, but rather that the request is merely for assistance to certain existing growers and manufacturers?—Not merely to assist us, but to enable us to come up to our former quantities—that is, to utilise all we grow. We grow the same quantities of fruit as formerly, but we do not tin it; the fruit is sent to market, and is sold for what it can fetch, but existing growers could extend their production to ten times its present amount if the conditions for tinning were more favourable. At present it does not pay us to tin the fruit, and I might say I have given three-parts of my fruit to cattle and pigs this season—such fruit as apples, peaches, and plums.

17. How much are you tinning now?—This year about 600 cases, or 1,200 dozen, were tinned on the Peninsula, and I think that could be multiplied ten times if we had fair conditions.

18. Where do you get your tins?—At the Thames. They are all locally made.

19. How many cases were put up in past years before the industry slackened off?—I myself now tin about one-fourth of what I tinned ten or twelve years ago, and this year, had it not been that I turned my attention to other fruits, I should not have tinned more than forty cases.

20. Where do you get the labels printed for your tins?—They are printed at the *Herald* office, Auckland.

21. And the cases, where are they made?—We get them from local sawmillers.

22. What are the kinds of fruit you tin?—Peaches were the chief fruit when we began operations first and they still are so, but besides these there are apricots, plums, and pears, also apples and tomatoes.

23. Is there a larger proportion of apples grown than of peaches?—The apples predominate.

24. Have you any pests amongst the fruit?—We have the codlin-moth.

25. Do you take any steps to clear your orchards of this?—Yes, I do what I can to keep it under.

26. Would you be in favour of compulsory inspection, with a view to the eradication of insect-pests, or what course would you propose?—I cannot see a way out of the difficulty. Legislation with such an object as you propose would, I think, be very hard to enforce. Nothwithstanding the pests people will still go on growing fruit, and only a Vandal would cut down trees. There is another point I should like to call attention to as regards the American fruit. It is this: that what are reckoned 2lb. tins really weigh 3lb. in some instances. I mean that our tins all do, while the American do not, and they only pay duty on 2lb. per tin, though its contents weigh 2¾lb. The duty should be charged at actual weight, tin and everything included, whether fruit, water, or anything else, and by that means the Americans could not get ¾lb. in for nothing.

27. *Mr. Stevens.*] Suppose 1¼d. per pound were placed on fruit, would that remove the hardship complained of?—To some extent. We look upon the American fruit as a luxury, while we look at our local producers' fruit as a necessity, and I might again remark than in our tins there is much more fruit than in the American tins.

28. What amount of duty do you suggest?—We think a little more duty than at present should be put on.

29. With respect to the extra ¾lb. which you say is contained in the American tins, would you expect the duty to be paid on this?—Yes.

30. *Mr. Glasgow:* I think there is some misapprehension. Does the witness say that the tins contain 2lb. of fruit and ¾lb. of liquor?—Most certainly; I have tested them several times.

31. *Mr. Stevens.*] With respect to the imposition of the proposed duty, would it tend to increase the growth of fruit in New Zealand?—Yes, I hold that it would.

32. Would the cost to the consumer become less from internal competition?—I cannot say positively, but I should think it would have that effect in time.

33. What is your opinion with respect to the necessity for legislation for the eradication of diseases?—I fear it would not be a success.

34. Well, for example, as regards scab in sheep: if we had had no legislation, what would be the position in New Zealand, do you think?—Without legislation we should never have succeeded in stamping it out.

35. Well, that being the case as regards scab in sheep, do you not think we should be the better for legislation in regard to fruit-pests than without it?—I see difficulties in the way of enforcing legislative measures: some persons, for instance, say they would rather cut down their trees and turn their orchards into grazing for sheep than go to the trouble of combatting the fruit-pests.

36. Would not even that be better than to leave things as they now are?—Perhaps it would be better for me.

(**4.**) James Paterson, Manufacturer of Paints, and Frederick Dean, Thames Paint Works, examined.

Mr. Paterson: We are both interested in the same industry—the Thames Paint Works. The works have been established ten years, but were stopped for a while. We employ about six o seven hands continuously besides outside labour, employed in connection with the work. We have sent out since last Christmas about 200 to 216 cases, 1cwt. to each case, and the output is likely to increase. The price varies, but it runs from 10s. to 12s., and up to £1 6s., per hundredweight. The annual output is now about 300 cases per year, and the value all round per case 14s. to 15s. Hæmatite comes free to the colony, and it can be imported for £8 per ton to Auckland, freight-paid. We cannot deliver it at Auckland under £10 per ton. The imported hæmatite comes in free.

37. *The Chairman.*] Well, what do you ask for?—We ask for a duty sufficient to equalise the price with that of the locally-produced article, which practically means a duty of 30 per cent.

Mr. Paterson: Then, as regards paints and oils, the present duty on paints in oils is about 10 per cent. The price at which we can purchase it is about 1s. 9d. to 1s. 10d., but by the time it reaches here, duty-paid, it costs 3s., or 3s. 1d. We cannot supply it at that price.

38. *The Chairman.*] What do you propose, then?—We ask for an extra duty on colours that can be produced in the colony, viz: Ochres, sienna, blacks, vegetable reds, browns, yellows, greens, and blue. All these can be made in the colony, and I ask for an increase of duty from 2s. to 5s. per hundredweight.

39. Have you any other requests to prefer?—As regards mixed paints, we cannot go into the manufacture of these because the price of oil is so much more, and therefore I would suggest an extra duty on paints mixed in oil. It is at present 4s. per hundredweight, and I would suggest that it should be raised to 8s. or 9s., and even that increase would hardly make up the difference in the price of oil.

40. *Mr. Stevens.*] Suppose a duty of 30 per cent. were imposed on imported hæmatite, would not some other colour take its place?—I would have 30 per cent. duty imposed on all imported paints and powders—I mean on all that can be manufactured in the colony.

(**5.**) Arthur Iles, Photographer, attended.

Mr. Iles stated he had been in business at the Thames for eighteen months.

The Chairman explained to witness the request of photographers in other parts of the colony concerning all sensitized papers, mounts, enlargements, &c.

The witness concurred in the requests, but desired to point out, in addition, a matter relating to the Copyright Act—viz., that if a copyright is taken out in England it extends to the whole of the British Empire, including New Zealand, Australia, and Canada, and this can be done at a cost of 1s. 6d., whilst a copyright taken out in New Zealand costs 3s., and extends to the colony only, and not beyond it. He asked that steps should be taken to have the scope of a copyright taken out in the colony extended the same as if taken out in England, and at a similar cost—viz., 1s. 6d.

HAMILTON.

Thursday, 2nd May, 1895.

(**1.**) Charles Miller Best, Varnish-manufacturer, of Avondale, Auckland.

Mr. Best: I have been carrying on the business for ten years. We employ four hands, and have had as many as seven. My three brothers and myself were then carrying on the business on our own account, but about three years ago we sold it to Messrs. Mitchelson and Co., for whom we are now working.

1. *The Chairman.*] What is your request?—The duty on varnish is 1s. 6d. per gallon, and we wish it increased to 2s. 6d., to allow us to compete better with the Home varnish, which undersells us. I am referring now to oak varnish. Carriage- and coach-varnishes are much more expensive. We ask for a duty of 15 per cent. *ad valorem* on these. Competition is keener in regard to these two lines. There is a duty of 1s. 6d. a gallon on all varnishes except four—terebine, black Japan, Gollan size, and Brunswick black. I should ask that these be classed with the oak varnish at 2s. 6d. Kauri-gum is the base of our varnish, and other ingredients are linseed-oil and turpentine. The Government have of late purchased largely from us, as our manufacture compares well with the English. The price of our oak varnish is 9s. 6d. per gallon, and that of the imported is the same, but foreign makers allow the merchants a little more than we can. I am speaking of the retail price as regards both imported varnish and our own.

2. Would you increase your price if the duty were raised as you suggest?—If the duty were raised we could sell at a lower price than that of the imported article, and I do not think our price would be increased. Our object in asking for a higher duty is to allow us to compete with the English article, and to command the market by underselling the imported.

3. As to paints?—The duty on paints ground in oil is £2 a ton; and on paints mixed ready for use, £4 a ton. The trade in these is more cut than in varnish. The imported article is inferior to ours. We have recently had to stop work, but if we got an increase of duty to £3 and £5 a ton we could go on again. The most expensive item in the paint industry is the tins, and we get them all made here. We sometimes have to put up a ton of paint in 1lb. tins, and it takes 2,240 tins to do this; yet we only get £33 a ton for paint, tins and all. There is hardly anything in it. The imported paint comes in in 1lb. tins, and the price is the same as ours. This fixes the price, and we have to accept that price. The Home manufacturers get their tins, turps, and colours and other things much cheaper than we do. I believe they have to pay no duty in England.

4. *Mr. Stevens.*] You say the paint-manufactory belongs now to Mitchelson and Co.?—Yes.

5. And it is at their request you attend here?—Yes.

6. How many tons of varnish have been sold to the Government?—I could not say; we have nothing to do with the sales.

7. If your paint is better than the imported, and you sell it at the same price, how is it that the people do not prefer yours?—The reason is local prejudice, I believe—that is, prejudice against a local product.

8. If so high a duty as £6 a ton were placed on the imported, and it were practically stopped from coming in, do you not think other factories would be started?—It might be so.

9. And would that not defeat your own object?—I have never looked at it from that point of view.

10. What is the freight per ton to the colony?—The freight on paint is very low. I know it has been brought out at 17s. per ton.

11. What would the freight be from Auckland to Wellington?—I do not know.

12. *Mr. Tanner.*] Are the tins made in the colony?—They are made in Auckland, by Harvey, of Durham Street.

13. Do Mitchelson and Co. get all the profit?—Yes.

14. Did they ask you to represent them here?—Yes.

15. Is all the paint you manufacture sold in the Auckland districts?—Most of it.

16. Do you think that the high cost of distributing down the coast militates against the local manufacture getting a chance?—I think it retards it, but I have never heard any specific complaint of this.

17. *The Chairman.*] What do you wish to say as to oil?—If linseed-oil and turpentine were free, that would reduce the cost of varnish by 4d. a gallon, and it would make a large reduction in the cost of paint. I do not think I could estimate it exactly now, but I have sent papers showing the difference to the Customs. At present we have to pay 6d. a gallon on linseed-oil foots.

(**2.**) The following gentlemen were introduced by Mr. Lang, M.H.R., as a deputation, viz.: James Burton, Manager, New Zealand Assets Company, Hamilton; Joseph Gane, President, Farmers' Club; Robert Fisher, Vice-president, Farmers' Club; Edward Allen, William Tucke, Alfred Gane, members, Farmers' Club; James Hume, President, Waikato Agricultural Association; John Fisher, Vice-president, Waikato Agricultural Association; Isaac Coates, member, Waikato Agricultural Association.

Mr. Burton read the following statement:—

"Hamilton, 2nd May, 1895.

"GENTLEMEN,—

"As representing the Waikato Farmers' Club and the Waikato Agricultural and Pastoral Association, we have to submit for your earnest consideration—That, in order to place the farmer on an equality with the manufacturer, farm requisites should be admitted into this colony free of Customs duty. As the prosperity of the colony depends so largely on the success of the farming industry, and as our agricultural products have to compete in the open markets of the world, we feel it is unwise to hamper the produce of raw material, remembering that many of these products are the basis of our manufacturing industries, and employ in their development a continuous stream of labour; therefore every encouragement the State could fairly bestow should be given to this industry.

"We append a list of articles used almost exclusively by farmers, being of opinion that the items named should appear on the free-list.

"The present Customs tariff as a whole we consider exceedingly severe, and beg to enter our protest against any addition thereto. We would also direct your attention to the fact that a trade in live cattle or dead meat with Australia has been proposed, which if entered upon would be

disastrous to the farming interests of this colony, and we would ask that such restrictions should be imposed as would render a trade of this kind impracticable.

"We have, &c.,

"JOSEPH GANE,

"Chairman, Waikato Farmers' Club.

"JAMES DUNNE,

"The Tariff Commissioners. "President, Waikato Agricultural and Pastoral Association.

"*Appendix.*

"Agricultural salt, taxed; rock salt, free; butter-parchment paper, taxed; printers' paper, glass paper, free; canvas—rick, wagon, and apron, and elevators for binders, taxed; tailors' canvas, reaper-and-binder complete, free; carts, wagons, drays, chaff-cutters, corn-crushers, corn-shellers, driving-gear for sheep-shearing machine, taxed; complete shearing-machine, free; fruit-parers and -evaporators, fencing-wire (plain and barbed), taxed; all other wires, free; horse- and wood-rakes, harness and harness-leather, hay-knives, taxed; shoemakers' and tailors' knives, free; milk-pans (tinned), mattocks, maul-rings, wedges, billhooks, ploughshares (cast), taxed; ploughshares (forged), free; plough-breast and mould-boards, taxed; plough, complete, free; plough-lines, post-hole digger, sheep-shears, taxed; tailors' shears, free; fencing-staples, taxed; bookbinders' staples, free; twine (binder), taxed; New Zealand binder-twine sold outside the colony 25 per cent. less than here; woolpacks and pockets, taxed; corn-sacks, free."

18. *The Chairman.*] There is one thing in connection with this I would like to ask you. I refer to the last paragraph, about dead meat: what is meant by that?

Mr. Gane: It refers to the proposal which has been mooted to bring over to New Zealand live cattle, purchased in Australia at a cheap rate, to have them killed on a hulk at Auckland, and then sold as dead meat. We could not compete with the prices at which such meat could be sold here, and it would put us quite out of the cattle-breeding industry.

19. *The Chairman.*] Are not the quarantine regulations sufficient to protect you?—They are as regards live cattle, and it is in consequence of this that inquiries have been made and attention turned to the possibility of opening up a trade in dead meat in the way I have stated.

20. Do you include horses with cattle?—We meant especially "neat" cattle.

21. Are you aware of the existence of a duty on horses sent to Australia?—I was not aware that there is a duty levied on New Zealand horses sent to Australia; but if there is one, as I now understand, we would be in favour of the imposition of a duty on all live-stock, including horses sent over here for sale.

22. With regard to this imported dead-meat trade, I presume you look for a duty to be imposed on it?

23. As I have said, the quarantine regulations are good enough, but we fear any easing off or slackening, and, as the cattle in Australia can be bought for a mere song as compared with the prices in New Zealand, we think this outside competition should be prevented, as if carried out in the manner proposed it would cripple our local farmers.

24. Now, with regard to several other items in the list which you have handed in, you seem to think that none of these things should be charged duty?—We have confined our request to farmers' requisites and implements.

25. As to milk-pans, could they not be made in the colony as cheaply as they can be imported?—They ought to.

25A. Well, why should there not be a duty on them?—There is 25 per cent. on them now.

Mr. Burton: The deputation do not attach so much importance to these little things; but, as they only received Mr. Kane's telegram yesterday, asking the views of the deputation to be put in writing, they thought it best to put in all things, leaving the list for further revision; but there are many things that we strike out on account of their being articles of general use or consumption.

26. *The Chairman.*] About binder-twine: if the duty were taken off all binding-twine imported into the country, would you get the binder-twine any cheaper than you do now, and is it not a fact that the twine is cheaper now than it has ever been before?

Mr. Coates: That is wholly and solely on account of the low price of fibre now ruling in every part of the world.

27. *The Chairman.*] Now, as to carriages, wagons, and drays: cannot you get them locally manufactured as good as imported?—Not so cheap, but perhaps as good. The Sydney and American ones are much cheaper.

28. Well, suppose all these things which are imported from abroad were admitted free, would not that injure the operatives of the colony?

Mr. Fisher: We recognise that any profits on these things go to the manufacturer, and not to the artisan.

29. *Mr. Stevens.*] *Re* manures, what is your opinion upon a suggestion that there should be a duty placed on imported manures?

Mr. Fisher: It would not suit us at all. A large quantity is used in our district, and it is desirable that manures should be as cheap as possible.

30. *Mr. Stevens.*] But amongst other reasons given us is this: that imported manures are largely adulterated?—I do not think there is anything in that; but I always go in for the locally-made manures. But the Sydney manures are cheaper, and we have had them analysed, and they were found to be quite pure. I think that the imposition of a tax on manure would be worse for us than a refusal to take off the duty from the things we ask to be admitted free.

31. Now, as regards the cattle trade, what is the average price of bullocks?—£6.

32. Can these people you speak of import bullocks from Australia and land them at that price?—We have been told that they could be brought over here at £4 per head, and, of course, we could not compete against that. The worst is, if Australian cattle were brought in as proposed, local

prices for cattle would drop, and it would starve us out; besides which there is the danger of the introduction of disease. I believe there is disease in Queensland.

33. Pure-bred lambs are exported from here to Australia. Is there a duty levied on them?—I cannot say.

34. If there is now no duty imposed on stock which we export to New South Wales, and we were to impose a duty on their stock, would they not be likely to retaliate?—If they did it would do us far less harm than if they were to send their beef here. We cannot get on in this part of the colony without a very large quantity of cattle, especially in the fern country.

35. *Mr. Tanner.*] You ask that all farm requisites should be admitted free?—Yes.

36. What do you mean by "requisites"?—Well, I should say things of general use.

37. Is a horse a requisite?—A horse is a requisite, but we do not mean it in that sense. If there is anything in the list that can be made cheaply in the colony we would be prepared to strike it out.

38. On your principle you would admit overcoats. You must define what you mean by "requisites"?—They are specified in the list we have handed in.

39. Is seed a requisite? Do you want seed admitted free?—No, we can grow our own seed. We want the items mentioned in the list admitted free if possible, and we limit our request to those items.

40. Are you aware that beef is being retailed in Sydney at 1¼d. per pound?—No.

41. Are you aware that there has been an offer to land it in Christchurch and Dunedin at that price?—There has been a talk that such a trade might be entered upon, and that people have been making inquiries, and are at present entertaining these proposals.

42. Are you an intercolonial free-trader or not?—It is a peculiar question. We would like the idea, but not the practice. Since the tariff was framed things have changed. Butter-paper is dutiable, and it should be admitted free. We consider many things should be altered; but, although we have included the list, we do not insist that all those mentioned there should be brought under a hard-and-fast rule.

43. As farmers, are you selling in the local market?—The local market is of very little use to us for some things, but we have a local market for others.

44. Are not prices ruled by the local market?—Not always. The price of eggs is not ruled by the local market, but mutton and other things like that are.

45. *The Chairman.*] I see that amongst other things enumerated you ask for horse-covers, &c., to be admitted free. If the canvas be admitted free, could not the local men make the covers?—As a matter of fact, most of the covers are made in Auckland.

46. *Mr. Glasgow.*] Sail-cloth and canvas are both free?—Well, then, we should strike out horse-covers.

47. *The Chairman.*] About harness and harness-leather. Is not harness much cheaper now than it used to be?—I should say it is a little cheaper. The duty has established a local market for certain sorts of saddlers' goods, but the colonial leather is much inferior to what it used to be. The belt-leather for machines will not stand, it seems, to be put through too quickly in the making. In the dairy factories we use indiarubber belts, and not leather. The leather seems to be done up with chemicals, and seems to perish more quickly than it used to formerly. Some of the American leather is the best, especially the light harness-leather.

(**3.**) P. Le Quesne, General Merchant and Wine-manufacturer, examined.

Mr. Le Quesne: I am in business here, and I wish to see you on the proposed removal of the duty on wine from Australia. We are just in our infancy now as regards the wine industry, and I object to the free importation of wine, as likely to cripple our efforts. I started about seven years ago buying for wine-making purposes grapes grown in the district. There is not a very large quantity grown now, but the quantity has increased since I started, and with a little encouragement will continue to increase. There are a number of small areas under vines, but they are scattered over the country. I have paid one grower £20 for grapes at 2d. per pound. This year I have bought from 3 to 4 tons—all from small growers. I make both a dark and a light wine; and I have been told by Ehrenfried Brothers, of Auckland, that they prefer my wines to the Australian wines. Two years ago they took about 500 gallons from me. I bottle here. I have sent wine to Napier. Robjohns has bought it in bulk. I bottle most of it in quarts, and I sell these at £1 5s. a dozen. My present stock of wine consists of 394 casks, averaging 40 gallons each—say, over 15,000 gallons.

48. *The Chairman.*] Is there any likelihood of the industry being extended if the proposed treaty between New Zealand and South Australia is not entered into?—Yes; the New Zealand wine industry has been growing for several years past. I have one of the best wine-making plants and machinery in the colony, and I feel sure that the wine industry will continue to increase. If the duty were removed it would affect a great many small settlers, as well as the wine-makers.

49. *Mr. Stevens.*] What quantity of grapes can be grown to the acre?—I cannot say.

(**4.**) A Deputation of the Waikato Fruit-growers' Association, introduced by Mr. Lang, M.H.R., as follows: William Johns, President; John Sharp, John T. Potts, Vice-presidents; Andrew Karl, Edward Patrick Karl, George Mann, John Ohye, George Edgecombe, and Walter Dow, Members.

Mr. Johns read the following:—

"Sir,— "Te Awamutu, Waikato, Auckland, 30th April, 1895.

"The undersigned, representing the fruit-growers of north New Zealand, ask your favourable consideration for recommending a revision of the existing tariff in their favour, and respectfully desire to point out to you—

"1. That their occupation as fruit-growers is rendered utterly unprofitable through the constant and heavy importations of fruit into the colony, especially from the islands of the Pacific.

"2. That, though this island fruit, the banana especially, cannot be successfully grown here, yet it offers an exact substitute for all our soft fruits, and is landed here entirely free of duty; and, while our fruit-growers are compelled to purchase all their requirements from the highly-protected residents of our large towns, these latter purchase their fruit-supplies free of any such impost—a most unfair interchange of trade, alike ruinous to our fruit-growers, prejudicial to the settlement of the waste lands of the colony by industrious men, to whom fruit-growing should prove a profitable and congenial occupation, and intensifying in no small degree the continually recurring 'unemployed' difficulty. Even the sons of our fruit-growers—young men eminently adapted for country life—are in most cases compelled to seek situations in towns, and thus tend to augment still more the already over-congested population of our large centres.

"3. That, while small town industries, in which few persons are engaged, and which at best are capable of but limited expansion, are accorded ample protection, the fruit-growing industry, which even now supports over three thousand of our population, and partially supports as many more, and which, moreover, if judiciously fostered would be capable of almost unlimited extension, receives practically no support from the existing tariff.

"We therefore respectfully submit that, as nearly all trades and callings followed by residents in cities are protected by the existing tariff to the extent of about 20 per cent., a similar amount of protection should be accorded to the fruit-growing industry from all imported fruit—that is to say, a duty as under should be levied thereon, viz.: Upon fruit pulp, 2d. per pound; upon apples, pears, and all stone-fruit, 1d. per pound; upon oranges, lemons, guavas, and pine-apples, ½d. per pound; upon bananas and all other green fruit not enumerated, ¼d. per pound.

"Trusting that you will recognise the justice of our cause, and that our request will meet with your favourable consideration,

"I have, &c.,

"William Johns,

"President, Waikato Fruit-growers' Association.

"The Hon. the Chairman, Tariff Commission, Hamilton."

To that statement I would just like to add a word or two. In this colony over a thousand families live by fruit-growing, and we may estimate the average to consist of four individuals: this gives a total of four thousand persons who subsist by this industry. Now, the only other remark I wish to make is that it has been a standing source of injustice to people in the country districts that, whereas they are compelled to purchase things upon which a heavy duty is charged, they have to send their products into the towns to contend with fruit which has paid little or no duty, and we think it unfair that we should be handicapped in this way. Here is another matter bearing on the question: I notice you have received a representation from a shipping firm in Auckland *re* island fruit. That firm represents about fifty hands, and I do not think there are one hundred persons altogether engaged in the island trade; yet, for the sake of these few, they ask that no duty be placed on fruit imported from the islands. Now, we wish to keep our population in the country, and not to force it into the towns, and we think it is wiser to make it possible for thousands to live in the country than that a few should be enabled to make a livelihood in the towns. We do not wish to prevent the importation of fruit, but we wish to be placed on an equal footing with the townspeople in the matter of putting a duty on what they consume. We do not ask for anything unreasonable; we wish to be placed on terms of commercial equality with our fellow-colonists.

50. *The Chairman.*] Have you anything to say about canned or dried fruit?—We preserve some of our fruit, and can in a small way now. We have left out the question of dried fruit, as at present we are able to compete with outside producers.

Mr. Potts: I wish to draw attention to the insect-pests that have been introduced into the colony. The codlin-moth exists over many acres in the Waikato, which are rendered completely worthless by this pest. I have 6 acres planted, and this season I have not sold a ton of apples, not because I have no crop, but because of the ravages of the moth.

51. *The Chairman.*] Could nothing be done to eradicate these pests—either by legislative measures or otherwise?—It is almost impossible to detect the insects, notwithstanding any inspection. There are several other pests besides the codlin-moth that have been introduced here. The only measure that would enable us to contend against these pests is to give us a duty that will enable us to compete against imported fruit. We could then employ extra labour, and have our orchards thoroughly cleaned.

52. If your request were granted, would the fruit-growers be willing to submit to Government inspection, and to regulations which would compel them to keep their orchards clean?—If the importation from outside New Zealand were stopped I think they would be quite willing.

53. And in that case would you be willing to take proper steps to eradicate these pests?—Yes; either that or cut down the trees. It would be useless to legislate, and at the same time allow fruit to come in from infected countries. We ask that fruit from infected countries be not allowed to be imported into New Zealand, and, if that were granted, then legislation should be introduced to compel the clearing of all orchards.

54. *Mr. Stevens.*] As to the imposition of a duty on island-grown fruits, if that were done, seeing that most of such fruits cannot be grown to a large extent in New Zealand, would it not make fruits much dearer to the people of the towns?—We propose leaving that fruit at ½d. per pound.

55. But there is no duty on it at all at present; therefore it would mean raising it ½d. per pound?—Yes; our proposal would mean raising it ½d. per pound.

56. *Mr. Tanner.*] What island fruits would you name?—Bananas, pine-apples, and oranges.

Mr. Johns: As to lemons, I do not think we need fear importation from outside, and I am quite satisfied with the present duty.

57. *The Chairman.*] Now, suppose we were to put a duty on the island fruit, would it not follow that the freight on outward cargo to the islands would have to be increased through the want of back-freights to New Zealand; and, if our trade with the islands were thus taken away, would not that recoil on the fruit-growers as well as on others?—I do not think so. We have import duty on things coming here from Home, and the export trade to the Old Country does not suffer.

Mr. Mann: I should like to say that this year I sent twenty cases of nectarines down to the Auckland market, and they realised 1s. 8d. per case or 1d. per pound gross, leaving me, after paying expenses for freight, ½d. per pound, and that did not pay me for picking and carrying to the station. I attribute a great deal of this to the Sydney fruit, which came in at the same time as mine arrived in Auckland—1,400 cases—as before that I had been getting 3d. per pound. If something is not done to help fruit-growers, there is quite a large number of fruit-growers in the Waikato who will have to give up fruit-growing and go into other branches of farming. All the objections against a duty on fruit come from fruit-importers and persons interested in their trade. In the Waikato when the fruit is in season there is no sale for it, and we have only Auckland in which to place our fruit on the market.

Mr. Ohye: During the last two or three years large quantities of soft fruit have been sent over from Sydney, and the price of such fruit locally grown was reduced in the Auckland market to about one-half the former price on account of the importations. It does not pay the grower to raise and sell fruit at such prices.

Mr. Karl: I think the present rates of freight press heavily on fruit-growers and wine-manufacturers.

(5.) Letter from Mr. Young, Pukerua Plantation.

Sir,— Rangiriri, Auckland, 1st May, 1895.

At the request of your secretary, I beg to submit my views upon the question of duty on Mimosa, or wattle-bark.

New Zealand is drawing her whole supply of bark from the Australian Colonies, while the soil and climate of our colony is better adapted for producing this product, and for producing better quality. The industry has been neglected because it takes a long time to bring the trees to maturity; and, the price now having fallen to a very low point, there is not much inducement to plant. If grain, however, should pay duty on entering the colony, the growing of which produce has been thoroughly established, how much more reason that bark should, which can be produced in the country, but has not, as yet, made way against the indigenous growth of this tree in Australia. A fair-sized tannery can use 500 tons per annum, and taking the consumption of bark at 5,000 tons, and the price at £7, there should be £35,000 saved to the colony per annum in growing our own bark. Neither is there any reason why New Zealand should not export bark to England, as well as Australia and the Cape.

There are many initial difficulties in putting bark on the market, so much so that after ten years planting we have not as yet shown a profit, and important planters beside us have given it up. Still, what I state is a fact: that New Zealand is fully as well suited to grow the bark as Victoria, and that the bark is of the best quality—of which I have the evidence of English tanners and analysts. There can be no question that if there were a duty on bark, as upon other products, New Zealand would ere long grow her own bark, and export as well. Multitudes of settlers would grow a few trees where other things would not grow, as in Australia and the Cape. As the Government has a plantation of wattles of its own, the Agricultural Department can bear out what I have stated.

I am, &c.,

The Chairman of the Tariff Commission. William Young, Jun.

[Mr. Young not having had an opportunity of attending to give evidence verbally, the Commission resolved that this communication should be included in the evidence].

NAPIER.

Tuesday, 7th May, 1895.

(1.) John McKenzie, of Hastings, Builder, examined.

Mr. McKenzie: I propose to start a new industry for the manufacture of net-floats, for sale in the Home-market. In connection with this industry, I anticipate employing about twenty-five hands and that the annual output would be £18,000 per annum, of which £3,000 would go in wages or labour, while the amount of hemp cordage imported for the industry would be of the value of £800 per annum. This hemp cordage bears a duty of 20 per cent., and that I consider would be a great hindrance to the prosecution of the industry. I therefore would suggest that the duty on all hemp cordage imported and used solely in the fabrication of goods made in this colony, especially for export trade, be removed.

1. *The Chairman.*] Of what are the floats made?—They are made of sheepskin pelts, of which sixteen hundred pounds' worth per annum would be used—that is, the sum that would be expended in the purchase of pelts.

2. What is your prospect of being able to compete with the Home manufacturers of the same goods?—At the present time in Scotland all the pelts are sent Home from the colony. I can buy the pelts at an average of 4d., whereas in Scotland, what with freights and other charges, the price is 2s., 2s. 6d., and up to 2s. 9d.

3. *Mr. Tanner.*] Would you need to use corks in the manufacture of floats?—No, not necessarily; there are floats inserted in the nets, but the corks are quite distinct from the floats.

4. *Mr. Mackenzie.*] You ask only that hemp be admitted free when used in articles intended afterwards for export?—Yes; the manufactured goods would not be used in the colony.

5. And in this industry you are practically using up materials grown or prepared in the colony?—Yes.

6. *Mr. Hutchison.*] Where are these floats used in Scotland?—From Wick to St. Albs Head. These floats have been used all along the coast for years.

7. Have you not enough protection already?—I have no protection yet, but if I get certain protection, then I shall open the industry. No one here understands it.

8. *The Chairman.*] Do you think that the advantage as regards the cost of the raw materials is sufficient to counterpoise the lower value of labour in Scotland?—Yes. It must be a good while before they can produce as good floats, as the fishermen of Scotland are not all initiated into the art of making them. Besides, other things here, such as timber, would be cheaper.

9. How much timber would you have to use?—I should say it would run into about five hundred pounds' worth per annum.

10. What timber would you use?—I would use totara. In Scotland they use larch.

(2.) F. Wilson, Boot-manufacturer and Importer, and J. O'Shea, Secretary of the Hawke's Bay Boot-manufacturers' Union, examined.

Mr. Wilson: We have received a copy of what the manufacturers in Christchurch desire; but, for my part, I disapprove of the compound duty proposed by them. If the duty is raised, it should be an even rate all round. I think the duty should be higher than it is now; and I think you should raise it to 33⅓ per cent. *ad valorem.*

11. *The Chairman.*] If that increase were made would it not increase the cost of the locally-made boots to the same extent, as it certainly would the cost of the imported Home-made boots?—I think so; but with such an increase there are several lines which we could make in the factory which we cannot now attempt.

12. Then, practically, both the colonial-made goods and the imported goods would be made much higher in price than at present?—The principal reason why I propose the 33⅓ per cent. increase is this: There are several lines of the better class which we could make with some encouragement. The Christchurch proposals do not hit the better class so much as they do the lower class; and I should also say that in a year or two there would be more competition, and prices would be reduced all round. At present men are not trained to use the better class of machinery; but in time they would become experts, and able to make the better-class goods. The work would be better and much cheaper, and manufacturers would be able to save in different ways, and then the prices would greatly come down.

13. The increased duty, however, would for some time mean an increased price, but I do not think it would be a permanent increase. If the duty were raised, we would go in for more machinery, for a better class of knives, &c., and we could then go in for a better class of goods, which we do not make now.

Mr. O'Shea: We—that is, the Boot-manufacturers' Union—approve of the proposals of the Christchurch bootmakers, but we think that the duty should be higher on the better-class boots. We approve of the mixed duty, and in that respect I differ from Mr. Wilson. I approve of the proposed fixed duty so far as regards the better class of goods—namely, 1s. 6d. a pair on women's, and 2s. 6d. on men's—that is to say, on men's invoiced at from 17s. or 18s., and on women's invoiced at 13s. and upwards.

14. *Mr. Mackenzie.*] As a matter of fact, the Christchurch deputation have admitted it would increase the price on low-class goods, and not on the higher?—Yes, and I disagree with their proposal in that respect.

15. There was a proposal in another place to tax all labour-saving machinery: what do you think of that? What effect would it have on the industry here?—It would not be labour-saving machinery here, not as far as our machinery goes.

16. Do you think, Mr. O'Shea, you would be in favour of keeping out labour-saving machinery?—I am not prepared to say.

17. The importers say the reason why a great number of boots are imported is that they can get a greater assortment of fittings?—I do not think there is much in that contention.

18. *Mr. Hutchison* (to Mr. Wilson).] You say the price would be increased by an increase of duty?—Yes.

19. But you modify that afterwards by saying that competition would bring it down to its level again?—Yes; and from the fact that the men would acquire a better knowledge of the use of machinery.

20. You are clear there would be a rise in the boots if an increase in the duty were made?—Yes.

21. Is the present duty enough to keep out imported goods?—It is not sufficient.

22. If any change in the duty is made, to whom will it be a disadvantage?—It would be a disadvantage to the importers and an advantage to the workmen and the masters.

23. Have you thought out that matter?—I have thought it out, and that is my opinion.

Mr. O'Shea: I have thought out that question, and I cannot agree with Mr. Wilson's opinion.

Mr. Wilson: There are only three or four manufacturers in the colony who have proper machinery, and of these only the Christchurch ones are in favour of the Christchurch proposals. I should rather see less duty on the cheaper stuff and more on the better class.

24. *Mr. Stevens* (to Mr. O'Shea).] I understand you to say you wish the duty raised on men's boots which cost 18s., and women's which cost 13s.?—Yes.

25. Are there many imported into the colony of that average value?—I think there are more of the cheaper than of the better class.

26. Suppose you had it shown to you that there are very few men's best boots imported into the colony, would you then ask this increase of duty?—In that case I do not think it would be necessary.

27. *Mr. Tanner* (to Mr. Wilson).] In saying you approve generally of the recommendations made in Christchurch, do you mean as regards boots and shoes only, and not as regards leather?—I did not take any notice of the recommendations regarding leather, but from a cursory glance it is all right for the manufacturer—I mean in favour of the manufacturer.

28. Then, suppose the leather-dressers ask for the duty to be raised on imported leather, what would you say to that?—They should have it if they can make the leather here. I am not prepared to sacrifice one trade at the expense of another. I think the tanners should be protected in East India kip. There is more of that imported than of any other class of leather. I think the duty should be 4d. per pound, and in that case there would be more use for light colonial kip, and I think it would be very nearly as good. At the present price East India kip is better.

29. Would you be in favour of the leather-manufacturers having an increase of duty on all imported leathers?—I have only seen them make roans, and levant split and basils, and a few shades of tanned basils. I have never seen them make other leathers.

30. Do you make yellow-top boots here?—We do; and a good many are of locally-dressed leather.

31. *The Chairman* (to Mr. O'Shea).] Have you thought out the operation of the increase of duty on the better class of goods?—Yes.

32. Do you not think 13s. on women's, and 18s. on men's, if you refer to goods invoiced at or over that price, is a high limit to fix?—I am informed there are more of the better class of goods sold than of the inferior class, and by price I mean the invoice price.

Mr. Wilson: My view is the figures are much too high, and I would make them 9s. for women's and 12s. for men's.

Mr. O'Shea: The views I am putting forth are the views of the union, and not my own views.

(**3.**) Mr. Carnell, M.H.R., introduced a Deputation from the Napier Harbour Board, consisting of Mr. Swan, Mr. Vautier, Mr. Williams, Mr. Neal, Mr. W. Kinross White, and Captain Davidson, Members of the Board; Mr. Saunders, Secretary; and Mr. Carr, Engineer.

Mr. Carnell: I would ask Mr. Swan to state the views of the Board with respect to the duty on cement used in connection with the works of the Harbour Board; and any remarks of my own concerning the same question I shall reserve for Parliament.

Mr. Swan: The subject we have to draw your attention to on this occasion is one of the utmost importance to our district. It is that of the remission of the duty—the unjust duty—we have to pay on the material used in the construction of our harbour-works. The Secretary will lay before you the facts of the case, and I should like to impress upon you the hardships under which we suffer. When the scheme for the breakwater was initiated there was no duty placed on cement; subsequently there was a duty of 1s. a cask, and subsequently there was an extra 1s. imposed, making the duty 2s. per cask, or practically an imposition of 34 per cent. on the cost of the material. Now, we say the magnitude of the work, the necessity for it, and the national importance of forming a harbour of refuge on the East Coast, entitle us to consideration, for between Wellington and Auckland there is no harbour of refuge at all; and it is only right that the disadvantage to the people of this district in not having a harbour where ships may come, and lie as safely as in the harbours of Auckland, Wellington, Lyttelton, and Port Chalmers, should be removed. It was therefore decided that these works should be undertaken, and they have been undertaken, and at the present time have cost the district the sum of £500,000; and we are not sure whether more money will not yet be required to make it a complete harbour for all weathers. The duty which has already been paid on this article (cement) is about £10,000, and it will be shown to you that another £10,000 will be required to be paid in duty if the present tax is maintained. We urge that, as a matter of fairness and justice, we are entitled to the remission of the duty on this article, and that it will not unfairly affect the local manufacture, for the reason that during the whole time that we have called for tenders we have never received a single tender from the colonial manufacturers of cement. That fact shows in itself, clearly and plainly, that they cannot compete with the imported article. Therefore, any argument which might be brought forward in regard to the fostering of a local industry falls to the ground. Looking at the matter in all its features, we say that we are labouring under a great disadvantage in regard to the work we are now prosecuting. I hope, and I think you will, after you know the facts, come to see the reasonableness of our demand. It is levying (to use a strong word) "blackmail" on us to charge this duty. It is levying a tax on a tax, for the ratepayers of this district are heavily rated to pay the loan raised for this work. We have calculated out the rate at about 10d. in the pound on property, and therefore I say we have the strongest claim in asking for a remission of the duty on cement, which equals between 34 and 35 per cent. on its actual value. I could enlarge very much upon the difficulties we have to contend with, such as storms, &c., during the progress of the work—one storm twelve months ago has cost us several thousands of pounds, and we have to pay for our disasters. Therefore we hope that in the case of such a national work you will recommend to the Government the remission of the duty on cement used in the making of any breakwater.

Mr. Carnell: I desire to point out that over £6,300 was paid in duty on cement by the Napier Harbour Board, and yet cement is admitted free for the purposes of the Midland Railway Company.

Mr. Saunders read the following:—

"Sir,— "Harbour Board Office, Napier, 7th May, 1895.

"The Napier Harbour Board, in submitting that cement for harbour-works, coir hawsers, dredging machinery, and pumps for fire-extinguishing, when imported for harbour appliances, should be admitted duty-free, desire to lay before the Commissioners the following particulars:—

"When the breakwater was commenced in Napier cement for harbour-works was free; therefore no provision was made for duty in the estimate. Since the 20th July, 1888, however, the duty of 2s. per cask has been charged, and the Napier Harbour Board, up to the present date, has paid the sum of £10,546 14s. 7d. as Customs duty on cement used in the works. The cement was imported solely for the construction of the works, which are of such a nature that a harbour of refuge will be formed on the east coast of the North Island between Auckland and Wellington—a coast-line of 590 miles. The harbour is of a thoroughly national character, but the work is being carried out solely by the ratepayers of the district, without any assistance from the general revenue of the colony. The Government, instead of assisting such a work, have placed a heavy duty on the principal material used in the construction, thereby imposing a tax upon a tax already levied upon the ratepayers. The duty on cement used and to be used in the construction represents nearly 5 per cent. on the entire cost of the works, including wharves, &c.

"The duty paid by the Board cannot have influenced the manufacture of colonial cement, as during the time duty has been payable the Board has invited public tenders for no less than eight cement contracts, amounting in all to 88,000 casks, but no tender has been sent in by the makers of colonial cement. The duty of 2s. per cask on cement represents no less than 34·45 per cent. on the *ad valorem*.

"In addition to the duty already paid by the Board, if the impost is continued the Board will have to pay a further sum of £10,390 as duty on cement to complete the works, £750 of this amount being for duty on cement required to complete repairs of damage by storms.

"Duty is at present charged on harbour appliances, such as coir hawsers, dredging machinery, and pumps for fire-extinguishing purposes, although dredging machinery imported by private individuals for mining purposes, and fire-engines and fire-brigade appliances generally, are admitted duty-free. In reference to coir hawsers, although only a small amount is at present used, in future this class of hawser will be a considerable item in the Board's expenditure.

"Referring to the duty on cement, the Board would submit that the construction of harbours to give ready outlet for the produce of the country, and thus enable it to carry a large population, is of vastly more importance to the colony than the fostering of one small industry, which at the most would employ comparatively few hands. This is clearly shown in a port like Napier, which now ranks as third on the list of exporting ports.

"I have, &c.,

"The Chairman, Tariff Commission." "Francis E. Saunders, Secretary.

"*Customs Duties paid by the Napier Harbour Board.*

"On cement, £10,546 14s. 7d.; on coir hawsers, £33 17s. 11d.; on dredging machinery, £128 16s.; on fire-pump, £21: total, £10,730 8s. 6d.

"Duty paid on cement up to May, 1895, £10,546 14s. 7d.; duty that will be payable on cement required to complete works—viz., 153,904 casks, £10,390 8s.: total duty on cement for works, £20,937 4s. 7d."

Mr. Swan: I forgot in my opening remarks to apologize for the absence of our Chairman, the Hon. J. D. Ormond, who had a most important engagement fixed for to-day, and, as he has had to go out of town to fulfil it, he is unable to appear here with us.

33. *The Chairman.*] Will the Secretary kindly tell us the price the Board pays for cement?

Mr. Saunders: At the present time we pay 9s. 3d. a cask landed in Napier, without duty.

34. What is the weight of the contents of a cask?—380lb.

35. You mention that you called for tenders, and that you have never had any tenders from local manufacturers?—No.

36. Do you specify for casks, or would you take it in bags?—We cannot take it in bags, because we cannot store it.

37. How many bags go to a cask?

Mr. Williams: I received a telegram quoting 12s. 3d. per three bags, being equal to one cask. It was from the Milburn Company.

38. Is there not some doubt about that being correct?

[Mr. Williams at this stage left to get the telegram.]

39. *The Chairman.*] Mr. Williams has stated that three bags of the Milburn Company's cement are equal to the cask: is that so?—I cannot tell you; I have never made any calculation.

40. Well, then, with regard to the duty: I suppose it would answer the purpose of the Harbour Board if the duty remained on cement, and a remission were given on certificate that the cement was for the harbour-works only?—Yes, that would do.

41. Now, with regard to coir hawsers, can you specify the measurement?—About 12in. in circumference, or greater, would answer our purpose.

42. *Mr. Stevens.*] Suppose you could obtain colonial cement at the same price as the imported cement, would it be equally effective?

Mr. Carr: I have had none of the colonial yet. I had some to test, and it has been very unequal.

43. *Mr. Mackenzie.*] How long ago?—Last year I had a bad test, and three years ago a good test. I cannot say where the samples came from. The good test came from the manager of the Milburn Company direct.

44. And the others?—They were sent me by the contractor. One he said was Milburn, the other Auckland, and the third imported. The Auckland sample was no good at all.

45. Have you made any tests since?—I have had no experiments lately as to the New Zealand cement.

Mr. Swan: There is another difficulty in the colonial people tendering. They cannot supply the quantity required with sufficient rapidity. The Board tried them to supply it in certain quantities, and would be prepared to receive it in instalments and not in one lot, but they could not do it.

46. *Mr. Mackenzie.*] How is it you cannot use cement in bags?

Mr. Carr: In the first place, it is cheaper in casks, and, in the second place, there is the difficulty in handling bags.

47. Was an effort made to try?—It was, and, even if the packages had been suitable, the price would not be. The manager of the Milburn works said that he could not supply the quantity.

Mr. Swan: I would like also to point out that, whilst assistance has been given in other places, such has not been the case here. We have had absolutely no help. We are self-reliant, and the taxes in respect of this work are very heavy indeed; and, looking at the way in which other districts have been treated, we think we have a very solid grievance indeed.

[Mr. Williams here produced a telegram, stating "Small orders, 12s. 3d.; three bags equal one cask."]

48. *Mr. Stevens.*] Has the Napier Harbour Board had no endowment from the colony?—Yes. When the Harbour Board was initiated there was a reserve or an endowment belonging to it, but unfortunately it was not land—it was water. It comprises a lagoon adjoining the town. We are trying to reclaim it, and no doubt in time it will be valuable. I could not give you an estimate of its worth. The rental we receive from it is only about £150 per annum, and it is the highest rental we have ever had from it. I should like to be clear. There has been no endowment from the Colonial Government. The one I speak of was from the Provincial Government, and the bulk of the revenue of the Board is obtained from rent of lands which have been practically reclaimed by the Board.

Other members of the deputation stated that they did not desire to add anything, as it would only be a repetition of what Mr. Swan had stated.

(4.) G. H. Swan, Brewer, examined.

Mr. Swan: I desire to bring under the notice of the Commission the duty on hop beer. It is to all intents and purposes a temperance beverage, and what the brewers have to complain of is that we have to pay the same duty on hop beer, 3d. per gallon, as we have on the strongest ale, which contains a large percentage of alcohol. Now, we say that there should be some sliding-scale of duty, as in the case of proof spirits and overproof spirits. Hop beer is a beverage which is drunk in the summer time by all and sundry; it is somewhat stronger than water, and the price we get for it is very much less than we get for beer. There is alcohol in it, and also in all similar drinks, ginger-beer included, but the percentage is very small, and yet we have to pay the same rate of duty as for a highly fortified beer.

49. *The Chairman.*] Is this the beer sold at fruit-shops?—Yes, the same; it is the same class of thing as herbal beer and horehound beer.

50. Is it made by others than brewers?—It is, and by some makers who evade the Customs.

51. What is the difference of price?—Ordinary beer is 2s. a gallon and the price of this article about 10d. It is not worth 50 per cent. of the value of beer.

(5.) Rev. Dean Hovell, Church of England; J. Wilson Craig, representing Mr. Paterson, of the Presbyterian Church; T. Morrison, representing the Church of England Vestry; and J. B. Fielder, Churchwarden, Napier Cathedral, attended as a deputation.

Rev. Dean Hovell: The question we should like respectfully to submit to the Commission is this: We have felt for some time past that in consequence of the heavy duty the introduction of certain church furnishings and fittings has been almost prohibited. I will give you an instance of what I mean. Some time ago a window was procured for the east end of the Napier Cathedral from England, and when it arrived I was communicated with, and was requested to supply a cheque for between £70 and £80 to the Customs for duty before I could obtain this stained-glass window. We had intended to have placed a number of other stained-glass windows in the cathedral, but if that same experience about Customs duty is to be repeated I question very much if we can supply any more. The duty on church fittings is very heavy, and we wish to represent that it would be a very great help if some reduction could be arranged for, as if the duty be maintained we shall have to do without what we might otherwise procure in regard to organs and stained-glass windows. In the latter case, at any rate, there can be no injustice to any colonial industries. In every case where practicable we have employed local men and local material, and in all other things where it can be done we use colonial manufactures. As to stained-glass windows, there are no manufactories of these in the colony. There are only two of the denominations who use stained-glass figure windows to any extent—namely, the church which I represent and the Roman Catholic—but in this request I think Mr. Craig gives me his support. I may state that, although there are only four of us here this afternoon, I have received a letter from the Rev. Father Groggan, of the Roman Catholic Church, in which he says, "I shall feel obliged if you will act in my behalf and in behalf of the other Roman Catholic Churches in this district," he being unable to attend before the Commission this afternoon.

Mr. Craig concurred in all the Rev. Dean Hovell had said, and though they did not use stained glass windows in his church, the question of a duty on organs affected them materially.

They were proposing to place a new organ in their church, but could not do so on account of the very heavy duty, and the consequent extra cost of the organ.

Mr. Morrison and Mr. Fielder agreed with the remarks of the previous speakers.

52. *The Chairman.*] Do you include amongst church furnishings peals of bells?

Dean Hovell: I should say, Yes.

53. *Mr. Stevens.*] Now, with respect to peals of bells being admitted free, as you know, there are a number of churches throughout the country which cannot afford more then one bell: I presume you would wish such a bell duty-free?—Yes; I know what you say is quite correct.

54. *Mr. Mackenzie.*] You say if the duty is continued it is very unlikely you can obtain other stained-glass windows?—Yes; I might say I have had the privilege of conducting members of the House over the cathedral at different times, and I was rather struck by the remark of the late Premier (Mr. Ballance). He said, "I look on this cathedral as having an educational influence on the colony." I myself was brought up in an old English cathedral town, and I know the effect these old cathedrals have on the people.

55. The point I wish to bring out is this: if the duty is maintained the imports will most likely cease; so that the colony will not be enriched by the maintenance of a duty?—We cannot afford to pay the double-barrelled expense—we cannot afford to pay for the windows and then pay the duty.

Mr. Craig: Our church would like to have a new organ, and we would not import one of less value than £800 or £1,000, but, the duty being equal to a fourth, it makes the cost too heavy.

WELLINGTON.—Third Sitting.

Friday, 10th May, 1895.

(1.) Mr. E. W. Davidson, Seed Expert, formerly of Christchurch, but now of Masterton, examined.

Mr. Davidson: Within the last year or two large quantities of trees have been imported into the colony, many of them not being true to name. These trees have been "rushed up" in Australia at very little cost, and in a hot climate. The consequence is, when they come over to the colder climate of New Zealand the greater number of them die, but by this time the agent who sells the trees has received his money, and the settlers have no remedy. Besides this there are a great many men, both in the North and the South Island, who have to get an honest living by raising and selling trees true to name; the consequence is that they cannot compete with the trees imported from Australia and sent to this market under the circumstances described. The only way to meet the case that I could suggest, as an expert, is to either quarantine these trees imported from Australia for three or four months or put a duty of 25 per cent. on them. I should think it would be more satisfactory to impose a duty and also to quarantine. I think these imported trees bring a great deal of disease from Australia. The freight is very low, and the Australian growers can upset the nurserymen here entirely. I should suggest a duty of 25 per cent., and that imported fruit-trees should be quarantined for four months before delivery. This should be done at once, because a very large quantity is about to come here immediately.

The Chairman: That is impossible: we can only recommend in our report.

Mr. Davidson: Of course, as you are aware, settlers only plant, as a rule, once in a lifetime, and if they plant the wrong trees, after paying a high price for them, their time and expense is quite thrown away. We can produce the very same trees, grafted here, at the same price, or lower. If you take a lot of tomatoes that have been grown in a hothouse and afterwards plant them out in the cold you will find that they all die. It is the same with fruit-trees coming from Australia. That is all I have to say with regard to fruit-trees. As to the seed trade. In the United Kingdom it is carried on in this way: Persons going in for the business have to be apprenticed for four or five years. In this colony any one is a seedsman, and the consequence is that a farmer who wants a hundred acres sown down often buys his seed from a man who knows nothing about the business, and at the head of the invoice there is a statement that "the vendor is not to be held responsible for the failure of the crop." The consequence is that in case of failure the farmer has no redress in a Court of law. In a great many cases, in both Islands, farmers have sown down vast quantities of land with worthless seed, the result being that they have not only lost their crops, but have a lot of weeds on their land, which cannot be got rid of even by reploughing. The only way to remedy that would be to pass an Act providing that no person shall be allowed to distribute seeds who has not served an apprenticeship, and cannot produce the proof of that fact. Of course, that would not bar a merchant from selling seeds, but he would have to employ a seedsman with proper credentials. I would further suggest that all seedsmen should be registered on paying a small fee annually—say, one guinea. I should also like to bring under your notice the suggestion that all seedsmen supplying orders should attach to each packet a number, as is done in the London stores, the number corresponding with the registered number of his house. I am agent for John Piccard, of London and New York. He is chairman of the London Seedsmen's Association, and packages that come out from his establishment, and from other responsible houses, have a sealed label on them, which insures the seeds being true to name. I think that each person selling seeds should be registered, and that each packet sent out should bear a number, and then purchasers would know what house the seeds came from. At present farmers have no remedy, and in many instances they are practically ruined for life. I do not wish to say this for the purpose of blackening the merchants, but they should have a properly qualified

man to do the business. I have my credentials; and at Home no man can get into the seed trade unless he has his credentials. [Witness's credentials produced and read.] I bring this matter before your notice at the request of farmers and others.

1. What is it, then, you wish?—That all seedsmen in the colony should be registered, and be required to have served four years' apprenticeship.

2. Is there any organization amongst seedsmen in the colony?—No; there is a large number of so-called seedsmen, yet there are really few seedsmen amongst them.

3. Have you ever done anything to form an association of seedsmen?—I was going to bring the question before the Christchurch seedsmen, but I found there were only two seedsmen in Christchurch. There are only about a dozen men in the colony that are really seedsmen. The trade is not carried out in a business-like style at all.

4. As to the trees imported: do you wish a duty as well as quarantine?—Yes.

5. Would you think it necessary to have a quarantine at each port?—Before being landed, the trees generally come to Wellington. I do not think many go to Dunedin or Auckland.

6. But if they were only to be quarantined upon arrival at Wellington, would they not be sent to other places?—I should quarantine trees as they do cattle.

7. What system would you adopt?—Have a place well dug, and the trees put in by the heels; they would do well enough like that if sound; if not, they would die. We have to put them through very heavy tests. I know of a lot of trees coming over last year from Australia, and about a month after arrival they were dead.

8. But do you not think it necessary to import some fruit-trees?—Not unless it is a new variety. We have plenty of varieties in the South Island, and also in the North.

9. What duty would you recommend?—A duty of 25 per cent. would be sufficient to keep out trees, if they were quarantined also.

10. *Mr. Tanner.*] You spoke of trees from Victoria: have you any knowledge of any imported from Sydney?—I know of camellia-trees, and, I think, some fruit-trees. Recently some travellers visited the country districts and exhibited photographs of fruit, the photographs being printed in America, and took orders for trees on the representation that they would produce the fruit shown in the photographs. They got orders at a fair price, and they then went down to the different nurserymen in the South Island and bought up all the rubbish they could get, put a nice name on them, and sold them to the settler. Of course, it took two years or so to know the result, and by that time, the trees having been paid for, there was no remedy. That was done within the last four or five years. It has been done more than once, these agents taking care to go to different districts—*i.e.*, not to visit the same districts more than once.

11. Would you suggest a duty on trees imported from Tasmania, as well as from Australia?—Yes.

12. What amount, and how ascertained?—I would put it on the net invoice price.

13. Would 25 per cent. on invoice value be a sufficient duty?—I should say so, together with the quarantine, as the quarantine expenses would be borne by the exporters.

14. *Mr. Mackenzie.*] With regard to fruit-trees: you think nurserymen would import new varieties necessary?—Yes.

15. You say you are agent for Piccard, of London and New York?—Yes.

16. And that none but men who have served an apprenticeship and hold credentials should be allowed to sell seeds?—Yes.

17. Now, suppose a shopkeeper should buy a bag of seed from you, should he not be allowed to weigh out from that bag to his customer?—No; he should send the seeds to the licensed house, and let them be put up from there.

18. Now, so far as the seed-merchant is concerned, can he tell all the varieties of seed from viewing the seed itself?—He can if he is experienced. I can tell by looking at it.

19. If a bag of rape is standing beside a bag of purple-top turnip, the rape-seed having been grown on a ridge and the purple-top seed on a rich flat, by looking at these two seeds, could you tell the rape from the turnip?—Yes, the rape-seed is a large seed, more rounded; whilst the turnip-seed is more of an egg-shape.

20. Even if grown under the circumstances named?—Yes.

21. In support of the recommendation for having none but certificated seedsmen vending seeds, you mentioned (after naming the firm you were agent for) the name of a very leading London firm of seedsmen whose seeds could be relied on?—Yes.

22. Would you be astounded to learn that a large wholesale firm in New Zealand, who sold sacks of the London firm's seeds (referred to by you) as they received them, had an action brought against them for selling seeds not true to name, and lost it?—No, I have not heard of any.

23. Well, it was so; and, that being the case, I ask, Does that not go to show that, if mistakes occur—according to your contention—in small shops, mistakes have actually been made in large and, according to you, reliable establishments?—For selling seeds not true to name? I am not aware of it.

24. You will find the case I refer to in the *Otago Daily Times* a few years ago.

25. Do you grow seeds?—Yes; I always test them before selling.

26. How?—By grounding them before selling.

27. How long do you give it before you are satisfied with the germinating percentage and variety of the seed?—I test the seed, and get it up in three days, but, as a matter of fact, it takes about three months to do properly.

28. Now, for the purpose of testing rape, is a month long enough?—It is not; I should rather say three months.

29. That is in order to await the development of the bulb?—Yes.

30. The germination will not indicate between a swede and a rape plant?—No; not entirely.

31. Now, with regard to the non-warranty on the invoice, you say from that non-warranty clause the farmer has no remedy in a Court of law; apparently you are not aware that that is not the law?—I was under the impression that what I said was correct.

32. Do you remember a case against a Christchurch seller brought by Clive, of Invercargill?—No.

33. It was a case he won against a Christchurch vendor for selling seeds not true to name?—I do not know of it.

34. How long have you been in the seed trade in New Zealand?—About sixteen years; I was connected with the trade in Christchurch and Dunedin.

34A. After that experience it is surprising that Mr. Davidson is not aware that in a case of non-warranty, and which was brought for selling seeds not true to name, the Judge decided that the non-warranty was no protection against the vendor?—There was a case tried in Christchurch, where Duncan, of Christchurch, supplied seeds to the grower, a man at Papanui. The man came on Duncan for the failure of his crop, but he lost the case, and had to pay all the costs. That was 1885 or 1886.

35. You say he came on Duncan for the failure of his crop: was the farmer unable to satisfy the Court that the failure of the crop was due to the bad quality of the seed?—Duncan supplied him with the seed, and he got no crop.

36. But there are other reasons for a crop not growing than bad quality of the seed?—Yes.

37. Your contention is that the seller of seed is not responsible if he makes mistakes, and the seed is not true to name, or does not grow?—That is not quite it. I say, in case the seed does not grow at all. I say, also, a person should be licensed, so that he should not sell one seed for another.

38. When cases of that sort have gone before the Court the Judge has decided that the seller is liable?—In the cases you allude to it might be so, but, as far as I am aware, it is not so.

39. Do you think agricultural societies give sufficient attention to good seeds being sold?—Of late years they have.

40. Do you think farmers are not at times to blame on account of their not giving sufficient price for seeds?—In some cases they are.

41. Now, as to rye-grass seed: is the system of cutting the crop on the second year not forcing rye-grass into an annual?—Yes, that is so.

42. Were a farmer to apply to a seedsman for a quantity of perennial rye-grass seed from old pasture, and the seedsman supplied him with seed from a second-year's cut (previous history of the seed being that it had been cut in a similar manner), would you not advocate a penalty for that?—Well, it certainly would be very wrong.

43. Yes; but do you not think nothing short of a stiff penalty should be imposed?—Well, yes; I would certainly attach a penalty in such cases.

44. Would you tax seeds coming into the colony. It has been asked for by Canterbury farmers?—No; the colony is too young, and should encourage the growing of all seeds in the colony. The climate is suitable for growing them, and even now I have large orders for grasses, some of which I cannot get here.

45. You say labels should be put on the bags to secure seeds being safe. If a man at Home put up a bag of rape-seed, and by some accident a wrong name was put on it, would that prove the seed was true to name?—No; but they always test it by other ways.

46. *Mr. Stevens.*] What length of time would you suggest to quarantine the trees?—I should say, four months.

47. Would that not prohibit a man supplying trees to the colony?—It would. That is what we want to do. We can grow them.

48. Then, would you not be in favour of stopping them altogether?—No.

49. Would not two months be long enough?—It would not be sufficient.

50. Would quarantining trees insure their being true to name?—It would not.

51. How would you propose to get some assurance of their being true to name?—The sellers would need to give a guarantee to the purchasers.

52. What form would you suggest?—A very simple one—that all trees should be true to name. If they were not so they would have a remedy at Court. Something to that effect. If you go into a market and buy five pounds' worth of trees you expect them to be true to name, and, instead of getting from them keeping-apples, you find, perhaps, that they produce apples that will not keep a month.

53. Have you any knowledge of the names of the diseases?—The codlin-moth and others. It is only within the last few years we have met with them. It is very hard for a man to purchase, as he thinks, nice fruit-trees, and, instead of getting what he wants, he gets some inferior trees, while he has probably lost several years' labour.

54. Are New Zealand people growing enough fruit for New Zealand?—Yes; and even to send to London—such as apples and nuts, almonds and filberts.

55. Now, as regards the apprenticing of seedsmen: is it necessary for a seedsman to serve an apprenticeship to enable him to dispense proper seeds?—It should be necessary for him to serve a time in a proper seed-house. There should be proper seed-houses in New Zealand. There are in Dunedin, Christchurch, Wellington, and Auckland.

56. You suggest that a merchant should be allowed to employ an expert seedsman by paying £1 a year?—As a license-fee.

57. In that case, could not a country storekeeper do the same?—Yes, provided he kept a seedsman, who should be registered, and who should be required to show his credentials.

58. With respect to the quality of grass-seed: suppose rye-grass to be sown this year and cut next, would the seed for ever afterwards be an annual?—It would not grow more than one year.

59. Would it continue to be an annual?—The second crop would be perennial, and so on in every crop; but the first year must become an annual.

60. *Mr. Hutchison.*] You say a vast number of these trees that are imported die?—Yes.

61. Would the farmers buy the trees you refer to as sold by American travellers, knowing what has happened to others?—I should not say that they would in the same district, but the travellers go to other districts.

62. Now, would not the proposed quarantining of trees prevent their being imported altogether?—It is practically what we want.

63. Who sells the trees you speak of to the settlers?—Tree-dealers. A man comes round and takes orders, the trees are delivered some time afterwards, and he gets his money.

64. And is no guarantee given?—The man who takes the orders may give one, but then he may be a man of straw.

65. How many trees does an average settler buy?—From two to five dozen—say, up to six pounds' worth.

66. As many as that?—At Pahiatua they had over a hundred orders.

67. How many each?—I am not sure, but I think the settlers would average more than two dozen each.

[Mr. Mackenzie quoted, from *Otago Daily Times*, Judge Williams's decision upsetting non-warranty clause, and fixing responsibility of vendors for seed sold.]

[*Received too late for placing in proper order.*]

TIMARU.

FRIDAY, 15TH MARCH, 1895.

(6.) DEPUTATION from the CANTERBURY FARMERS' CO-OPERATIVE ASSOCIATION and the TIMARU AGRICULTURAL AND PASTORAL ASSOCIATION (JOHN TALBOT, JOHN ANSTEY, C. H. INGLIS, Canterbury Farmers' Co-operative Association; and G. P. WOOD, Timaru Agricultural and Pastoral Association).

77. *The Chairman.*] We presume that you gentlemen attend here to represent certain matters in connection with your industry as it is affected by the tariff?

Mr. Talbot: The farmers, and more especially the association that we represent, pay £10,000 a year in Customs duties, and, as farmers dealing with farmers, our association is able to form a very good estimate as to how these Customs duties bear. Without discussing the question of free-trade or protection, as farmers we know that protection does not benefit us in any shape or form. I mean to say the produce we raise is not affected by any protection that can be given to any industries here. We shall always be dependent on outside markets; and, on the other hand, if protection effects what it is intended to do—namely, the development of local industries, any tax on what we use goes to the manufacturer and not to the State. If any alteration in the direction we wish can be made in the tariff, we think we shall be able to show you where any loss of revenue consequent on admitting certain articles free can probably be adjusted by putting it on to other articles. Mr. Anstey will state to the Commission the chief articles upon which we pay heavy duties. One article is binding-twine, on which we pay a duty of 15 per cent. That duty is levied in the interests of protection, and it has had the effect of keeping out the imported article and giving an increased profit to the local manufacturer. Last season the local manufacturers formed a combination to keep the twine up to a certain price, and at the same time they sent twine over to Australia and sold it there below the market rate. The result was we were able to purchase this very twine in Australia, bring it back here, and sell it again at ½d. per pound below the local manufacturers' price, and to make a profit on it.

Mr. Inglis: The following is a list of the articles chiefly used by farmers upon which duty is paid. We desire that the duties should be abolished, and these articles placed on the free-list: Traces, pulleys, chains, &c.; average duty now paid, 20 per cent. Woolpacks; present duty, 2s. 6d. a dozen. Cornsacks are free, and, on the same basis, we think that woolpacks should be free also. Binder-twine has already been mentioned. Bolts and nuts; present duty, 20 per cent. Chaff-cutters, corn-crushers, and -shellers; present duty, 20 per cent. I do not think they can be made in the colony; chaff-cutters might be made here. Cordage and rope, and more especially plough-line. The latter is sold at 1s. 1d. a pound, best quality. It is a manila line, and no colonially-made line is used for the same purpose; present duty, 20 per cent. Wooden handles for gorse-knives, axes, &c.; present duty, 15 per cent. Iron hay-rakes; present duty, 20 per cent. Wooden hay-rakes; present duty, 15 per cent. Lard oil and mineral oil of all sorts is subject to a duty of 6d. per gallon; it is used chiefly for lubricating. Tattoo oil pays 4s. per hundredweight; it is used for branding bales and sheep. We think these oils should be placed on the free-list, and also fencing-wire. Plough-breasts and ploughshares: There is a limited local manufacture in ploughshares, and it cannot be compared to the English manufacture as regards quality. We sell fifty dozen English-made shares to one dozen of the colonial.

78. *The Chairman.*] Are not Reid and Gray taking the whole trade with manufactured ploughs?—Yes, but not the shares.

79. If they make the whole plough, how is it that they cannot make the shares?—The trouble is in the tempering of the share. To be properly made, it must be made very hard on the bottom and very tough on the top. The colonial manufacturer has not succeeded in the tempering; the English maker has. We also desire that reaping-hooks should be free; there are not many used; they pay 20 per cent. Sulphur used in sheep-dipping, pays 6d. per hundredweight. Wire netting is at present free, and we think should remain so.

80. You wish all these articles placed on the free-list?—Yes.

81. Have you anything to add, Mr. Anstey?

Mr. Anstey: With regard to fencing-wire, there is no possibility of its being manufactured in the colony, and to place a duty upon it is practically to place a fine on a man's improvements. The same remark applies to barbed wire. The wire used in the manufacture of barbed wire was admitted free, and a duty of 2s. per hundredweight was placed on imported barbed wire to encourage local industry, but the locally-manufactured wire is not here yet, even with this double assistance. Roofing-iron is another article that is used by everybody. It is neither more nor less than a permanent improvement, and the duty now charged is simply a fine on our improvements. Iron tanks (imported with clover-seed) cannot be made here; but we pay a duty of 10s. per 400-gallon tank, and 5s. per 200-gallon tank, when they are imported with clover-seed, and this duty simply means an additional duty on the seed we import. Salt, present duty 10s. per ton, is used for agricultural purposes, and we think the duty should be removed altogether. We do not contend that binder-twine cannot be made in the colony, but the duty placed upon it has meant the creation of a little corner, which, but for the foresight of one or two big farmers, would have made us pay very heavily for our twine.

82. *Mr. Mackenzie.*] If 30 per cent. were put on agricultural machinery, do you think that would increase the price of machinery or reduce the price?

Mr. Talbot: It would increase the price most decidedly.

83. We have been told by the agricultural-machinery makers that if they got 30 per cent. duty all round they would drop the price of their locally-made machinery by 10 per cent.: do you think that would be the case?—I think that is wrong. No firm in New Zealand could possibly make machinery of some kinds—threshing machinery, for instance—to compete with importations in quality and price.

Mr. Anstey: Our reply is that in the matter of ploughs no difference would occur, but in the case of a threshing-machine, if 30 per cent. were put on, the farmer would have that much more to pay than he has at the present time.

84. *Mr. Mackenzie.*] In other words, if a manufacturer told you that by increasing the duty on imported agricultural machinery to 30 per cent. all round it would cheapen the cost of the local manufacture by 10 per cent., you would say he would not be able to carry out the contract?—In some cases, perhaps, yes, in others certainly not.

85. You have had some experience in reapers-and-binders?—Yes.

86. Do you think that when they were made in the colony they were as good as the imported ones?—Certainly not; none of the local makers ever did good work.

87. If this 30 per cent. went on, do you think the local makers have made sufficient progress to now make a machine as good as the imported?—I do not think so.

88. Do you know anything about sulphuric acid?—We import a little.

89. Is it not largely used as a basis for manures and fertilizers?—Yes.

90. As a farmers' representative, you would say that if a duty of £5 per ton were put on sulphuric acid it would tend to raise the price of manure to colonial users?—Yes.

91. And the farmers would object to it?—Yes. The English article is worth from 30 to 40 per cent. more than the colonial.

92. We have been asked to take the duty off woolpacks. It was generally supposed that the reason the duty was originally imposed was to get at the squatters. Have not the conditions largely altered in the matter of sheep-farming since woolpacks were first instituted?—Undoubtedly they have.

93. And your reply is that they are as much used by the small farmer as cornsacks?—Yes. I am only a small farmer, but I use twenty-five woolpacks per annum, and that means a tax of 5s.

94. Your opinion, generally, is that goods required in connection with agricultural production ought to be admitted duty-free as much as possible, in order not to increase the cost of production?—We are quite willing to concede that, and provided an article can be manufactured here we do not object to a reasonable duty being placed upon it.

95. *Mr. Hutchison.*] Are you gentlemen all farmers?

Mr. Anstey: Mr. Inglis is the manager of the Farmers' Co-operative Company. The others are farmers.

96. *Mr. Hutchison.*] Do you know if there is any other article, other than binder-twine, which is exported from New Zealand and brought in again at a cheaper price than the same article is generally sold at?

Mr. Talbot: We have no knowledge of anything else.

97. *Mr. Hutchison.*] I understand that arose entirely from a "corner"?—Yes.

Mr. Anstey: We contend that these "corners" are the direct offspring of protective duties.

98. *Mr. Hutchison.*] You have also stated that the manufacturers cannot do a certain thing which they in their turn state that they can do: how are you able to say that?

Mr. Inglis: It cannot be more than an opinion.

99. *Mr. Hutchison.*] Are you content to put it as an opinion? You also alluded to the manufacture of agricultural machinery, I think, Mr. Talbot?—I am of opinion that, if the duty was raised to 30 per cent. on threshing machinery, the local manufacturers would not be able to sell below the present price, with duty added. I certainly think that reapers-and-binders would be a case in point. I am told that the price of a reaper-and-binder is considerably higher in colonies where there is a heavy duty, and I am sure that to impose a heavy duty would affect the local manufacturer perhaps favourably, and the farmer certainly adversely.

Mr. Inglis: In Australia, binders identical with those sold here at £45 are there sold for £75, and there is a 20-per-cent. duty on the imported machine.

100. *Mr. McGowan.*] Is this a co-operative association that you represent, Mr. Inglis?—Yes.

101. Do you receive and sell the produce of the farmers, and supply their requirements?—Yes.

102. Is there a profit made out of that transaction?—Yes.

103. And the profit goes to the company?—It is divided at the end of the year amongst the individual shareholders.

104. It is with capital in the first instance, of course, that you commenced operations?—Yes.

105. Does it not strike you that individuals, or small numbers of people engaged in manufactures, might require some assistance in the shape of co-operation when they have not the power the farmers have, owing to their numbers?

Mr. Inglis: Your idea seems to be that the manufacturers cannot combine amongst themselves; but is it not a question whether there is any room for their operations if they do combine?

Mr. McGowan: If there is room the farmer can combine, if there is not room he cannot.

106. *Mr. Stevens.*] Mr. Talbot, are sheep-shears or shearing-machines the most used in Canterbury?—Shears.

107. Can you give any reason why shearing-machines are not generally used?—There is a heavy cost in setting up the machines; and the experience, on the whole, is that not much advantage is gained. The Home manufacturers also complain, I am told, that the wool shorn by the machine is damaged for spinning purposes.

108. Do you consider it just that there should be an import duty on sheep-shears and none on shearing-machines?—No. I think both should be on the same footing.

109. You have omitted to ask for a rebate of duty on sheep-shears. Are not horse-rakes manufactured satisfactorily in the colony?—I think they ought to be, but I have had no experience of them myself.

110. Are the locally-made cultivators as good as the imported ones?—Yes.

111. How about seed-drills?—We get better ones here than the imported.

112. Are there many ploughs imported into New Zealand?—No; they are all of colonial manufacture.

113. Do Reid and Gray import their ploughshares, or make them in the colony?—I think they make them, but a great number are imported.

Mr. Inglis: A share is imported to fit the colonial plough.

114. *Mr. Stevens.*] I understand that if you buy a colonial plough you can have duplicate shares to fit it from the manufacturer?

Mr. Anstey: We buy them constantly.

115. *Mr. Stevens.*] Do they not answer the purpose well until worn out?—The colonial share will not wear half as long as the imported.

116. Therefore it goes to show that the colonial plough is not equal to the imported plough?—The colonial plough is all right, but the colonial share is not.

117. Then, your whole objection is to the tempering of the share, and you contend the local manufacturers have not the means in this colony to temper them?—They have been many years at the work, and have not succeeded so far.

Mr. Inglis: The steel share of local manufacture costs 6s., and the Home article is sold at 1s. 6d. or 2s.

Mr. Anstey: A plough will last twenty years, and a colonially-made share will not last ten minutes in the paddock I am ploughing now. The average life of a share is seven days, and it must be specially tempered. Very few firms in England can make shares like Ransom and Hornsby.

118. *The Chairman.*] Then, it is not contended that ploughs are imported?

Mr. Anstey: No, only shares.

119. *The Chairman.*] Is there any other matter?—We understand an attempt might be made to impose a duty on coal. In Timaru we pay 7s. per ton more for New Zealand coal than for New South Wales coal. We import 3,000 tons a year, and a duty of 2s. 6d. would mean a payment by us of £375 per annum. We are opposed to any duty of the kind, and ask that coal should be allowed to remain on the free-list. With regard to sheep-dip, we sell 150 drums a year, imported dip and colonial dip. We wish it to remain on the free-list.

120. Is it a fact, or not, that sheep-dip made in the colony is equally as good and as reliable as the imported dip?—If the colonial dip is as good as the imported it does not require protection.

121. Is there any prejudice against the colonial dip?—No; some colonial dips have been badly mixed, and a dip I had killed some sheep.

122. Still, there are some colonial dips that are as good as the imported?—Yes.

123. You object to a duty on sheep-dip on the ground that a duty would necessarily increase the cost of the article?—Yes.

124. You admit that there are colonial dips as good as can be imported?—Yes; and the reason we think they are so good is because of the wholesale competition.

125. *Mr. Mackenzie.*] I gather from what you said, Mr. Talbot, that it is the presence of a population in a county that determines the value of its produce?—Yes.

126. Regarding the price of bread, are you aware that the price now charged is due to a bakers' union?

Mr. Anstey: I think it is due to a "corner" amongst the millers. They were shipping flour to Australia and selling it cheaper there than in Timaru.

127. *Mr. Mackenzie.*] Can you tell us, from your experience as farmers, what it should cost to produce a ton of flour?—That is not a farmers' question.

127A. With regard to coal, it appears clear that any increase in duty would not encourage the lowering of the present price?—That is so.

128. *Mr. Hutchison.*] As to sheep-dip, we were told in another place, by the farmers, that none of the colonial dips could be compared with the imported: is that the opinion of this deputation?

Mr. Anstey: We have distinctly stated otherwise. I have used colonial dip for years, and have ordered more.

129. Then, in your opinion, those farmers who take the imported, and have signed petitions got up by the importers, have made a mistake?—It must be prejudice on their part.

130. *Mr. McGowan.*] It has been stated that New Zealand flour is sold £1 per ton cheaper in Australia than here. I believe so myself. I presume this is caused by the export of what the millers would term "surplus stocks." Would not this exportation of flour reduce the price of wheat here?—No. The price of wheat is regulated by the English market.

131. Are you in favour of a duty upon imported flour?—I do not think the question affects us as farmers.

132. Well, what is your opinion with regard to a duty being placed on foreign wheat?—That is exactly the same thing. Sometimes it might benefit a few farmers or a few millers, but it would not benefit the general body of the farmers, as we can grow wheat as cheaply as any of the other colonies.

133. *Mr. Stevens.*] Are you aware that at the present time Australian flour is being imported into New Zealand, and is being sold, under the price of New Zealand flour?—It is not done in Canterbury.

Mr. Inglis: It is only done under exceptional circumstances in regard to freight.

134. *Mr. Stevens.*] You think it could not be done regularly?—No.

135. Do you find the New Zealand coal equal in quality to the imported coal?

Mr. Talbot: I prefer the local coal for machinery purposes.

136. *Mr. Stevens.*] I understand you object to a duty being placed on New South Wales coal imported here, Mr. Anstey?—Yes.

137. If you think the New Zealand coal is superior to the New South Wales coal, why should a duty affect you?

Mr. Talbot: The price of the local coal would be raised immediately.

138. *Mr. Stevens.*] What coal is mostly in demand here?—Newcastle coal.

139. If an import duty were placed on sheep-dip, do you think it would have the effect of raising the price of dip?—I cannot say.

140. *The Chairman.*] I think there are some articles you were going to mention upon which, in your opinion, a duty might be imposed?

Mr. Anstey: Seeing that the average duty on the articles we wish exempted is 20 per cent., it struck me that we would have to make up the loss somewhere, and I would suggest that the following goods could very well bear an extra rate of duty: Drugs, carpets, mats, cartridges, firearms, drawings, picture-frames, looking-glasses, pipes, cigarette-holders. These articles are simply luxuries, and could bear a higher duty, seeing that nearly every necessary we use is charged 20 per cent. Millinery, gold- and silver-plate, jewellery, precious stones, fancy goods, and toys are only charged the same amount of duty that is charged upon the necessaries of life, and I think nobody will contend that they are not luxuries. I think these articles, at present charged 20 per cent., could very well bear a large increase, to make up for the duties we ask you to remove.

141. *Mr. Tanner.*] Of course, you have made no calculation as to the amount of revenue that would be produced if these duties were raised to 50 per cent.?—No.

142. Do you think, if these articles were made to bear duties three times as much as the present duties, there would be a penny more brought into the revenue?—That is not a question for me to answer.

143. *The Chairman.*] Are there any other matters?—We ask for the duty to be removed from fencing-wire, and we think that the duties on many articles—fireworks and matches, for instance—might be raised. Speaking generally, the poorer a man is the greater the amount of taxation that he pays. For instance, tea pays a duty of 100 per cent. or 25 per cent., according to its value; tea in bond of the value of 6d. pays a duty of 100 per cent.

Mr. Talbot: We would ask the Commission, in framing the tariff, to consider a suggestion we wish to offer that some representative of the agricultural interest should be called in to assist in the matter.

144. *The Chairman.*] That is a suggestion that another Commissioner should be appointed?—No; but that the farming interest should be represented in the adjustment of the tariff.

INVERCARGILL.

WEDNESDAY, 27TH FEBRUARY, 1895.

(15.) JAMES BROKENSHAW examined.

1. *The Chairman.*] What are you?—A fishmonger, in partnership with another.

2. Have you had much experience in the trade?—All my life; catching and selling fish, and oystering.

3. What do you want to bring before the Commission?—I wish to see a duty put on imported tinned oysters.

4. There is a duty?—Yes, but it is not sufficient to allow us to compete with the American oysters. They can land them here for about 4½d. a tin, duty-paid, and the Stewart Island industry

has gone back on account of the imported oysters; people will not give the price for the Ruapuke oysters, or Stewart Island oysters, which cannot be sold under 5s. 6d. a dozen tins, or £1 2s. a case. The American can be bought at 18s. the case.

5. Does each tin contain two dozen?—Yes; but our tins only contain one dozen, as the oysters are larger.

6. Does each tin contain the same weight?—Yes; but sometimes the American tins contain cockles instead of oysters.

7. *Mr. Tanner.*] You have not tried tinning cockles?—No.

8. *The Chairman.*] Are there many people engaged in the fishing industry?—In fishing and oystering there are engaged about three hundred men and twenty-one vessels.

9. Supposing the view you take were adopted, what effect would it have?—Well, we should take care of the oysters; otherwise within ten years there will be none left.

10. Why?—After the cutters get full of oysters they run into Ruapuke and pick out all the small oysters and throw them overboard, when they die. A law should be passed that the oysters must be "cultched" in the oyster-bed from which they are taken; or, if the weather comes on bad, the fishermen should be made to throw them all overboard on the bed before they seek shelter. At the oyster-beds there are what we call cultch-stones and different kinds of stuff on which the oysters feed. They will not feed anywhere else, and if thrown over away from the beds, or cultching-grounds, they die. Sorting them and returning the small ones to the bed is what we call cultching. Last season our oysters were so poor that people could not eat them. That was on account of the small oysters being taken from the oyster-beds.

11. You say the oyster-beds are being ruined through careless treatment?—Yes.

12. And through the small oysters not being returned to their natural bed?—Yes.

13. Is it a fact that there are certain parts of the bottom of the sea that are more suitable for the oyster to live on than others?—Yes; in some places the oysters will not live. At Caroline Bay (Ruapuke) they will not live.

14. Do they require some particular kind of food?—Have you ever seen Chesterfield guano—a lot caked together? Well, the food the oysters feed on is just like that guano caked together, and there is also a kind of sand mixed with it, and if the oysters are tipped out in an unsuitable place they will not grow. They should be returned to the salt water in the proper place; they ought to be cultched before leaving the proper bed, so as to insure their being returned to their natural bed.

15. Does it affect the young ones injuriously to be kept a long time out of water?—It would not matter for a day or two.

16. Supposing rough weather came on, what would the cutters do?—They would run for Caroline Harbour; and, if my suggestions were adopted, they would have to throw over the lot. If the oysters are biting well they generally have 1,000 dozen at the end of a day's work to pick out.

17. Have you ever made any representations to the Minister of Marine direct on the subject?—An inspector should be appointed to see the law carried out.

Mr. Glasgow: The matter has never been brought before the department.

18. *Mr. Tanner.*] Are you aware that on Lake Ellesmere there is an inspector who is frequently afloat when they are catching fish?—Yes; and he winks the other eye. I heard the other day of a trout being caught in Lake Ellesmere, and the Magistrate asked, "What fish is that?" and the fisherman said, "I don't know." In this river I have seen thirty-seven trout killed purposely and thrown on the beach. A fisherman on this river, Charle Riske, and who has been thirty-two years at Sandy Point, has not made food on account of the trout eating all the small flounders. I think the weight at which blue-cod can be taken should be raised from 8oz. to 20oz.

19. *Mr. Mackenzie.*] Is it possible to make beds in some sheltered place as receiving-grounds for fishermen to throw over young oysters into?—Yes. The Bluff Oyster Company, in 1889, dumped some oysters at the head of the bay, and last year they got a few there; but the young oysters will not increase.

20. Is it possible to form oyster-beds?—Yes.

21. Would it not be rather expensive?—No.

22. If you cannot enforce the law in the immediate neighbourhood, would you suggest that some ground should be formed in some sheltered place?—The only place I know is the Mokomoko, but that is too far away.

23. Did not Mr. Ward assist in that respect?—I believe there is a gentleman now on his way to see the Minister of Marine about the inspectorship.

24. Regarding the fishing, do you think it is possible to establish a bigger commerce in fish?—Yes. All the blue-cod caught here go to Melbourne. Three cases, containing 1200lb. of fish each, were sent to Melbourne in one day.

25. Do you think it possible to establish fisheries around the coast that will catch other fish besides cod: there is tarakihi?—Yes. I wish to see the blue-cod weight raised to 20oz., because they are getting scarcer, or, by measurement, to 12in.

Mr. Glasgow: Fishermen complain they cannot judge the weight.

26. *Mr. Stevens.*] With regard to the appointment of an inspector to see that the cultching takes place on the proper oyster-beds, how would you propose to pay the inspector?—I should propose that there should be a duty of 10s. for each insulated case of the fish exported, and on oysters 6d. a barrel or bag. Sometimes fish are sent to Sydney in the freezing-chambers of the "Mararoa" and "Waihora," and I would place a duty of 2d. a case on them.

27. *Mr. Tanner.*] What is the largest number of cases sent over to Australia in a week?—Five now, but I have known of 400 odd cases being shipped in a single day. Each case contains 63lb. of fish.

28. *Mr. Stevens.*] Having given us an idea of how you propose to pay the inspector, how do you propose that the inspector shall effectually carry out his work?—All the cutters engaged in oystering should be registered, and pay a fee of £1 each, and the master of each vessel should be registered specially, so that he could be held responsible for the small oysters being returned to the bed; his fee might be 5s. Once they got to know there was an inspector they would be very careful.

29. Would registering the captain have the effect of compelling him to do his cultching on the oyster-bed?—Yes.

30. Then, where would you have the inspector stationed?—Not at the Bluff altogether.

31. If he were stationed at the Bluff, would he not require to be provided with a boat, and pay surprise visits?—He could go in the Harbour Board boat.

32. You think there would be means of detecting whether the vessels cultched the oysters on the oyster-beds or not?—Yes.

33. *The Chairman.*] Have you any objection to your name, or the subject of your evidence, being published?—I do not want my name published in the papers.

[*Received too late for placing in proper order.*]

WELLINGTON.

THURSDAY, 7TH FEBRUARY, 1895.

CAROLINE HINSCH examined.

1. *The Chairman.*] Where do you reside, and what is your business?—I reside in Wellington, and have taken out a patent for a new and wholesome beverage. It is superior in all respects to ale and beer, and I claim for it that it is non-intoxicating. It has been analysed by the Government Analyst, and is found to contain only $\frac{1}{38}$ per cent. of alcohol.

2. Are you asked to pay excise duty on it?—Yes. I have not put it on the market yet. Mr. McKellar, of the Customs, says it is dutiable; but my solicitor is of opinion it is not.

3. That has nothing to do with the Customs tariff, but is only a question as to whether or not the person is to have the right to sell it with or without a license?—I want to know whether it can be sold without duty.

4. We have nothing to do with that; we have only to do with the question of the revision of the tariff. Your object is to get it duty-free?—If possible.

5. Do you know anything about the consumption of articles of that kind in the country, or have you had any experience as a manufacturer of non-intoxicating liquor?—I have been experimenting for many years, and my patent is an outcome of my experience.

The Chairman: The subject of your representations will receive consideration.

CORRIGENDA.

KARL LOCHER'S EVIDENCE.

Page 331, line 1, delete the word "always."
" line 2, at end of line add "and not bearing his name."
" line 25, *for* "buyer" *read* "supplier."
" line 26, *for* "now" *read* "not."

THOMAS WADDELL'S EVIDENCE.

Page 257, line 13, delete the word "Yes," and insert "No" in place thereof.
" line 17, delete the words "on account of the duty."

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MAP OF
THE PACIFIC ISLANDS.

REFERENCE

OF SUGGESTED TRADE ROUTES TO ACCOMPANY MR. COLEMAN PHILLIPS'S EVIDENCE BEFORE THE TARIFF COMMISSION, 1895.

No. 1 Route. Auckland, Tonga, and Samoa.
. 2 . Samoa, Rarotonga, and Tahiti.
. 3 . Tahiti, Chain Islands, Pitcairn Island, and Marquesas.
. 4 . Samoa, Wallis Island, Union Group, and Ellice Islands.
. 5 . Auckland to Fiji.
. 6 . Fiji (Interinsular).
. 7 . Fiji, New Hebrides, and Solomon Islands.
. 8 . Auckland, Norfolk Island, Noumea, and Brisbane.
. 9 . Brisbane, Batavia, Singapore, and Borneo.
. 10 . Brisbane, New Guinea, Manilla, Hongkong, and Japan.
. 11 . New Guinea, Uap, and Guam.
. 12 . Brisbane to India.
. 13 . Dunedin, Hobart, Melbourne, Adelaide, and Perth.

BRITISH POSSESSIONS COLOURED RED.
MAIN TRADE ROUTES ———
INTERINSULAR ROUTES - - - - - -

NOTE. There is now, and should be, a service from Sydney to Noumea, Fiji, and Samoa; also a service from Melbourne to Fiji, calling at Sydney. The Australasian Colonies and New Zealand should work hand-in-hand in developing all these routes.

It is immaterial whether Routes 9, 10, and 12 start from Melbourne, Sydney, or Brisbane.