

taking the current rate of wages that we have been paying, I do not think the flax could be a payable industry under £10 10s. per ton. When it comes below that it ceases to become a payable industry.

25. Am I right in understanding you, Mr. Gardner, that at ten guineas, under the present process of manufacture, a flax-manufacturer, who would be not only the grower, but also the manufacturer, could make the industry pay? You think that would pay?—I am sure it would.

26. Anything over that would be a benefit all round?—Yes.

27. The present market-price is £16 per ton: can you give us any idea of the cost in labour per ton—the ratio of cost—or, rather, can you give us any idea how much of the ten guineas would be the portion of labour?—Yes; nearly the whole would be spent in labour, you may say.

28. The machinery and coal have some part, and the royalty, of course?—We are spending on each machine for fuel equal to £1 10s. a day. About 75 per cent. in labour is spent on a ton of flax.

29. What is the nature of the labour usually employed: largely boys?—A great many boys. We pay rather a high rate of wages; but it is hard and constant work.

30. What was the minimum price offered, at the lowest point, per ton for the manufacture?—£9, that is the lowest point it has ever reached.

31. You think the chemical experiment of Mr. Gillman, and the mechanical experiment of Mr. Toogood, would get you over the difficulty in which you find yourselves, even at the £9?—That is my own impression at the present time.

32. £2,000 has been offered for some time by the Government as a bonus?—Yes.

33. Taking the expense to which Mr. Toogood has gone, do you think that bonus sufficient to encourage inventors or experimenters like Mr. Toogood to persevere? I have been told, for instance, he has expended no less than £1,500, not counting his own time or labour, in experimenting. Do you think £2,000 sufficient?—It would not encourage very many men, because his £1,500, unless something comes out of it, is simply thrown away. The uncertainty of experimenting is too great without some big prospective advantage.

34. Taking the importance of the whole question, the employment of a large amount of labour that would ensue, are you of opinion that the Government ought to increase the amount of bonuses, seeing that no payment would be made without value received?—Yes, I think it would be perfectly justified in increasing the amount of bonuses. I have been twice round the colony and seen many men who have been experimenting. They have simply said they have only gone to a certain stage. With only £2,000 ahead, they have stated, we might spend far more than that and then get nothing out of it.

35. If the Government grade flax, would there not be equal justification for grading wheat, wool, and various articles of produce produced by settlers. You have instanced damp flax. You have heard of damp wool?—Yes.

36. You have also heard of a settler, naturally wishing to get a price for his wool, putting a little ballast in the middle of the bale to the consequent loss of the innocent purchaser—in short, would not some arguments attach to grading of the different articles of produce as you have been putting forward for the grading of flax?—Of course, I cannot exactly speak on the other articles but flax. I know that there are many opportunities in the export of flax for an unprincipled man to injure the whole colony. As for the other produce, I should say if there was scope for trickery the things should be checked. I have never shipped grain myself.

37. *Mr. Meredith.*] Has your trade with Japan in flax been a commercial success?—Yes. I will tell you how we did it. Messrs. Bannatyne and Co. acted for us first. They have correspondents in Japan. They wrote out asking the firm to send them so much flax. I think the first consignment we sent was 10 tons. When they got it we got a cable to send more, and we sent 50 or 60 tons.

38. Have you any idea what the flax is manufactured into in Japan?—No.

39. Do you employ many hands?—We employ about thirty altogether.

40. Mostly boy-labour, I suppose?—Well, no; we do not care so much for boy-labour.

41. What is about the rate of wage paid?—We give the boys 5s. a day; from 5s. and up. I think the most expensive man we have in the place is about 9s. 6d. a day.

42. Is there any local demand for fibre in your district to be manufactured into binder-twine?—No; I am manufacturing ropes myself. I have a spinning-rope factory as well. Messrs. Donaghy and Co. have nearly the whole trade for ropes in New Zealand. I think there are about four altogether, besides Donaghy and Co., in binder-twine, but they have the greatest output; they have a place in Auckland, Dunedin, and Invercargill.

43. I understood you to say you have been pretty well over New Zealand, and know in New Zealand all the flax industries. Have you any knowledge of a Mr. Andrews in a place called Waikuku, in Canterbury?—I think I was at his place.

44. That is near Ashley, beyond Kaiapoi?—Yes; I went there.

45. How long is it since you were there?—About four months ago.

46. Did you notice if he were manufacturing binder-twine at the time?—Yes; I think he had about six twine-spinners. It is a most excellent plant.

47. The plant I refer to was imported by the Farmers' Co-operative Association?—Yes; it is a most excellent plant.

48. *Mr. McLean.*] You said you made rope?—At present.

49. A considerable quantity, I suppose?—No.

50. It is of New Zealand flax, I suppose, not mixed?—No, not mixed.

51. A good deal of the rope is mixed?—Yes, I believe a good deal of that sold is. I have seen them at the rope-factory nearly always mixing New Zealand flax with manila.

52. Where?—In the North and South of New Zealand.