

1899.
NEW ZEALAND.

BONUS FOR FELT INDUSTRY

(CORRESPONDENCE RELATIVE TO GRANTING OF A).

Return to an Order of the House dated 13th July, 1899.

Ordered, "That there be laid before this House a Return setting out the regulations under which the £500 bonus for the felt industry might be earned, the report of the Inspector under which £100 of such bonus was paid, and a copy of the deposition before the Acting Official Assignee in Bankruptcy of one of the partners of the firm which obtained such payment; also any memoranda from the Official Assignee, and any correspondence with the Government on the subject of such industry."—(Mr. G. HUTCHISON.

SIR,—

Department of Industries and Commerce, Wellington, 9th March, 1899.

In accordance with your instructions I visited Messrs. Shaw and Co.'s felt factory yesterday, the 8th instant, and was shown over the works by the firm.

They inform me that theirs is the only factory of its kind in the colony. The plant they value at about £1,400. The amount of felt at present in stock is valued at over £100, and they have already sold from five hundred to six hundred pounds' worth of felt. They inform me that they have orders from several wholesale houses for a considerable amount of felt, and, on visiting one of the importers they mentioned (a Mr. Wiggins, carrying on a very large wholesale and retail saddlery business), he informed me that he considered the felt manufactured by Messrs. Shaw and Co. as of exceedingly good quality, and that many firms would give Shaw and Co. orders if they produced it at the price now paid for imported felt.

I would like in fairness to the firm to point out that when they approached the Government with a view of obtaining a bonus, they were unaware that it was impossible to borrow on leasehold property and on machinery, and that for them to wait now until they produce five thousand pounds' worth of felt before they could claim the bonus would practically mean ruin. It seems a pity that the industry should fail for want of a small amount of money to keep the firm going, especially now that they have established the industry and have got good orders for their produce. These, however, cannot be disposed of at once, as the merchants had already sent orders Home for a certain amount of felt before being approached by Messrs. Shaw and Co.

I would recommend that, in consideration of the value of the plant, the stock in hand, the stock already sold, and the satisfaction expressed by importers at the quality of the felt produced by Shaw and Co., the bonus should be paid to them as follows—viz.: £300 at once, and £200 in, say, six months. There is no doubt that the industry is fully established, and that there is a good market for all the firm can produce.

Yours, &c.,

AMELIUS M. SMITH.

Hon. T. Thompson, Minister of Industries and Commerce, Wellington.

To A. M. Smith, Esq., Private Secretary.

At the census taken in April, 1896, no persons described themselves as "felt-makers." No "felt" was exported from the colony during the year 1898. The manufactory returns did not show any felt-making establishments in 1896.

E. VON DADELSZEN, Registrar-General.

Memorandum for Mr. Amelius Smith,

Department of Industries and Commerce, Wellington.

Re Shaw, a bankrupt: In response to your note I enclose copy of the minutes in this case so far as they relate to the felt bonus. I was not present when these were taken by my clerk, being absent on duty, but I saw in the Press some mild remarks said to have been made by Shaw which were not taken down, but of which my clerk has a general recollection.