

36. *Mr. Duthie.*] More elaborate than you know of?—Not exactly than I know of, but more elaborate than I consider practicable. I suppose it would be illegal to work a proper still.

37. You would require a still to do that?—I think so.

38. *Mr. Laurenson.*] Supposing the Bill were passed, could you not under Customs supervision have your spirit to enable you to manufacture perfumery the same as you do now?—No; for reasons that I have mentioned.

39. What are the reasons?—There are purposes for which I use the spirit, and I use it over and over again. In so doing it becomes changed, and, as I understand this Bill, I am liable for having spirits in my possession that show a weakness in methylation. That is as I read the Bill.

40. *Mr. Laurenson* (to *Mr. Glasgow*).] Under the Customs regulations have you any power to arrange for people to manufacture under Customs supervision?—Yes. The Customs law allows the Commissioner to appoint approved premises where articles which have spirit as a necessary ingredient can be made. Perfumed spirit is one of those articles, but any perfumed spirit made in one of those bonds is liable to an excise duty of £1 per gallon, as against £1 10s. on imported perfumed spirit. Now, if *Mr. Joyce* makes perfumed spirit from, as I apprehend, cleaned methylated spirit, he only pays 6d. a gallon duty; whereas if he had a manufacturing bond and made perfumed spirit in a legitimate way, he would have to pay £1 a gallon.

*Witness:* It is a curious thing that others can sell at about the same price in the market.

41. *The Acting-Chairman.*] You mean there are competitors of yours who sell perfumes at the same price that you sell them at?—Yes.

42. But do they not use the same process that you do?—I do not know.

43. *Mr. Barber.*] Your argument is that they are carrying out the same process as you are—they are using methylated spirits for the same purpose?—I do not know.

44. The trend of your argument is in that direction. If they can sell the goods at the same price as you, you think they must get the raw material at the same price?—Yes, I suppose so. I do not know.

*Mr. Glasgow:* I might mention something that will throw a little light on that point. Since this Bill has been brought forward a firm in Auckland have stated that they make perfumed spirit from methylated spirit which has not been dealt with in any way—ordinary methylated spirit.

45. *The Acting-Chairman.*] Could *Mr. Joyce* claim the same thing—would you call this that you use ordinary methylated spirit, *Mr. Joyce*?—Yes, certainly.

46. *Mr. Glasgow.*] I think *Mr. Joyce* has admitted that by some process the methylated spirit is deprived of its smell, and is therefore rendered more or less into a state suitable for human consumption?—No, I do not admit that—emphatically no.

47. *Mr. Laurenson.*] You manufacture flavouring-essences, *Mr. Joyce*, do you not?—No.

48. Is any of the stuff that you manufacture consumed by human beings?—None whatever.

49. It is only perfumes?—Only perfumes, toilet-soap, polishes, and various things like that.

50. *Mr. Hardy.*] You are a manufacturer?—Yes.

51. Do you use much methylated spirit?—No.

52. What is the quantity you would use in, say, a month?—It might be, probably, 40 to 50 gallons—more or less.

53. It is used in the manufacture of perfumes, I think you said?—Yes, and various other things.

54. And for soaps?—Yes.

55. It is used in order to give a certain strength which is required in perfumes?—Yes.

56. Would it not suit you to manufacture your perfumes in bond in the way that other houses do?—Well, no. The cost would be too much. If I were in a large way of business it would be all right; but I am only working in a small way.

57. I suppose there is a considerable saving effected by the introduction of this new method of dealing with the spirit?—Not very much that I am aware of.

58. There is really not much saving?—No; only a very little.

59. How much duty do you pay on the spirit now?—We pay 2s. 8d. a gallon for it, methylated; we buy it at 2s. 8d.

60. In bond?—No; delivered.

61. Supposing that you had not this new process, what would you pay for proper spirit in order to manufacture your perfumes?—I do not know.

62. What is the price of the ordinary spirit that is used in the manufacture of perfumery?—I do not know. I have just heard it is about £1 or £1 10s.

63. That is the duty?—I suppose the value would be added to that.

64. (To *Mr. Glasgow*) You say the duty is 6d. a gallon on methylated spirit, *Mr. Glasgow*?—Sixpence a gallon if methylated in New Zealand; it is 1s. if imported.

65. (To *Witness*) The excise duty on perfumed spirit is £1, so your new process enables you to save 19s. 6d. a gallon?—No, it is not, so—unless the others are not doing the same.

66. We are not on a heresy hunt—we do not want to persecute you; we want to do what is right to everybody. Do you not think your new process means a considerable saving?—Not in comparison. I can only judge by the prices the other manufacturers are selling at.

67. If you save 19s. 6d. a gallon by using this new process, is not that a considerable saving?—Yes, if it is saved; but, as far as I know, it is not.

68. Supposing you were buying the ordinary spirit, would you not have to pay £1 a gallon duty?—Yes.

69. And you know very well you are only paying 6d. a gallon if it is methylated in New Zealand, or 1s. a gallon if imported?—There is that difference, no doubt.

70. So you are really at an advantage of 19s. 6d. a gallon as against the man who is manufacturing these perfumes in bond in New Zealand?—That probably is so, if there are any doing such a thing.