

83. You practically represent that industry?—Yes. The whole of the New Zealand companies favour the proposed duty on candles under the reciprocal tariff, and trust it will be passed by the House. The position of our industry, we consider, is not clearly understood by members of the Government. The demand for stearine candles made from tallow, the product of our own colony, has been falling greatly during the last few years. In the year 1896, out of a total of 30,093 boxes sold by my company, 16,026 were pure stearine candles. In 1900, out of 29,459 boxes, 8,775 were stearine candles. In 1906, out of 14,177 boxes, 1,666 were stearine. The difference is, of course, in wax and composite candles. These figures will show that paraffin-wax is now the principal factor in the candle business in New Zealand. The imports from all sources for 1900 were 1,609,121 lb., but on the alteration in the duty they increased to 3,042,053 lb. in 1903, to 3,038,621 lb. in 1904, and were 2,415,508 lb. in 1905, the decrease this year being accounted for by the fact that no candles were imported from America—or only about 40 lb. The imports from the United States in 1900 were of the value of £7, and in 1903, £14,482, the weight being 753,681 lb., and 607,000 lb. in 1904. From Burmah the imports were nil in 1901, and in 1902 were only 3,750 lb., but in 1903 they increased to 121,100 lb., in 1904 to 503,219 lb., and in 1905 they fell to 412,302 lb. These are the latest figures I could get. The Burmah candles are sold at 5d. a pound wholesale. The New Zealand companies have to import the paraffin-wax from the manufacturers in Burmah of a similar grade to the candles imported, at a cost of 4d. per pound on the wharf here duty-paid. There are also landing-charges and cartage to our works to be met. The American candles are sold as low at 5½d. per pound to the retailers, but some grades, owing to defective manufacture, have also been dumped into New Zealand in large quantities, these candles selling in Wellington and elsewhere at 4½d. per pound. To import wax of a similar quality to these candles costs us 4½d. a pound duty-paid on the Wellington wharf, and candles under American labels have been recently imported from Canada at 1d. per pound duty. Again, there are English makers who quote from 1d. to 3d. per dozen pounds less than their English prices for export to New Zealand—that is, on the prices quoted on their price-list; and to show you the effect of the alteration in the tariff of the year 1900, my company in that year sold 29,459 boxes, which dropped in 1906 to 14,177 boxes. All the other companies in New Zealand are affected in a similar way, and owing to the small margin in duty, only ½d. per pound, we cannot get our candles on the market, coupled with the want of a patriotic spirit on the part of some storekeepers, who, although most admit that the colonial-made candles are equal to those of foreign companies, seem to prefer to sell the foreign makes. As a matter of fact, my company has been supplying the Consolidated Mines on the West Coast for the last ten years, and are still supplying them with mining-candles. If this reciprocal tariff does not go through and nothing is done for the candle industry this session, we hope that a revision may take place at an early date, and that the matter will have the earliest consideration of the Government. The industry is in such a way that my company has been hanging over year after year in the hope of something being done to place the industry in a better position. Mr. Seddon admitted in 1900 that we were very badly hit, and said that if we tried it for twelve months and could not make a do of it something would be done in the matter; but we have approached the Government every year since 1900 up to the present time, and we have got no relief. It has been the intention of my directors each year, when the annual balance-sheet came up and showed that we were losing money on the manufacture of candles, to close down on them; but we do not like to have to put our employees out of employment, because they have no hope of getting work in that particular line anywhere else in this colony, and some are not fitted to take up any other class of work except labouring. We have at present men in our employ who have been in the trade for the last twenty-five years, and it would be a great hardship to them if candle-manufacturing had to be closed up.

84. *Mr. Laurensen.*] You say that if this tariff goes through it will help your industry?—It will.

85. That is, keeping the tariff as it is for Australia and raising it for outside countries?—Yes.

86. And you also say that you have to pay a duty on the raw material?—Yes, ¾d. per pound, and the paraffin-wax has to be purchased from the Standard Oil Company and from Burmah.

87. Roughly speaking, how many people are employed in the candle industry?—We got those figures for this Committee about two years ago, and I forget what they are now.

88. *Mr. Hanan.*] You know something about the Orepuki shale?—I know a little about that.

89. What is your opinion with regard to the Government giving some encouragement to those works being re-established?—The colonial candle companies did their utmost to help that industry. The paraffin-wax they turned out was not marketable, however. The colour was very bad, and the colour of the mineral oil was also bad. We went to a lot of expense in our endeavour to refine it, but it was not really marketable. If they could turn out a wax that could be compared with that obtained from the Scotch shale it could all be used in the colony. I suppose there are annually 600 tons imported into the colony.

90. You are aware that the company sank £100,000 in that industry?—Yes, roughly.

91. And at the present time the capital sunk in it is lying idle?—Yes.

92. *Mr. Seddon.*] Has there been any difficulty in marketing the wax from Burmah in Australia?—No; but I think the candle-manufacturers turn out a far greater quantity of stearine candles than wax there.

93. Are they stearine candles in New Zealand?—No, principally wax. We put a certain quantity of stearine into most of our candles. We manufacture stearine ourselves from tallow.

94. And Australia can produce candles more cheaply than can New Zealand?—Yes. They have ½d. advantage over us in the duty.

95. You are not afraid of reciprocity on account of the difference in duty?—No.

96. *Mr. Hardy.*] You spoke of want of patriotism in the distributor?—Yes.

97. Would it not be well to consider the matter of patriotism in the consumer?—No, for this reason: Speaking with regard to candles, the consumer will order, say, 2 lb. of candles, and no