

where there are no frosts and where there is a light soil the probability is that you will get an excellent crop. I imagine that the gum lands north of Auckland would be too heavy. The Nelson land is worth about £10 or £12 per acre. The lightest soil you can get is the soil that is required.

4. *To Dr. A. K. Newman.*] The land between Paekakariki and New Plymouth would be suitable for tobacco-growing, assuming that there are no frosts and that labour is available. That, at any rate, is the type of land, I believe. The area under cultivation in Victoria is increasing; in other parts of Australia they are experimenting. If a returned soldier cultivated tobacco here he would have the certainty from my firm of getting a price, but we would not give a guarantee that everything he brought along would bring the highest price. Up to a sample he would get a certain amount. I did not know that if a New Zealand company wanted to import the latest machinery it could not buy it. As far as I know it is not a fact that the Tobacco Trust owns machinery plants. I was talking not long ago to a man in Auckland who is anxious to get machinery of the kind, and he has simply to wait his turn to get it. In a tobacco-growing district you do not want too great a proportion of saline atmosphere, because it tends to make the tobacco burn badly. At Paekakariki it would be better, I imagine, over the range of hills.

5. *To Mr. Veitch.*] We only ask for the elimination of the duty on machine-made cigarettes as opposed to hand-made. In the way of experiments, I suggest that the Department of Agriculture should carry out practical experiments to demonstrate the tobacco-growing capabilities of different districts in the Dominion.

6. *To Mr. Craigie.*] The sea air is bad, but not fatal. I do not know the Otago Central district. The quality of the New Zealand tobacco could not be compared with the Virginian tobacco. No place in the world could compete with Virginia. Labour is a big factor. You must do certain work at certain times, and do it quickly. In Virginia a man who has a small farm turns his family out, and they do the work in a day or two. In Nelson, where there are a number of small settlers, the people could assist each other. New Zealand could not supply the total demand for leaf for local consumption. It can only look for a share of it. It has been so in South Africa.

7. *To Mr. Sidey.*] If the farmer were to get a frost when the seeds are showing up an inch or an inch and a half that would be the end of them.

8. *To the Chairman.*] Outside brands of cigarettes come into the New Zealand market, such as State Express, Clarence, 333, Abdullahs, and others. We control the well-known brands—Three Castles, Havelock, and so on. The supplies imported into New Zealand are not sufficient for public requirements at present, owing to the shipping difficulties. Stocks are short in the meantime. I do not think there is any danger of an over-supply of the local article. If you get too much one year the price would go down, but next year a smaller quantity would be grown. That happens in Australia. I do not think there would be any demand for New Zealand leaf outside New Zealand. On the imported leaf 2s. is paid, and when it is made up a further 1s. is paid, and that is sufficient, in my opinion. With regard to freight, four years ago the freight on tobacco from America was 30s. or 35s. per ton. My suggestion is that the 1s. 6d. per pound on machine-made cigarettes should be removed. That grants by way of loans for buildings should be made by the Government to growers of leaf. Also, an expert ought to be provided. We are quite prepared to foster the industry in the initial stages, and our company would purchase the New-Zealand-grown article if it was of satisfactory quality. The industry is a desirable one for the Government to encourage, especially if they wish to assist the returned soldiers. It is one that will give a reasonable living to any man.

9. *To Mr. Hudson.*] My company is not associated with the Hawke's Bay company. They wanted us to buy them out, but we refused. There is sufficient competition in New Zealand to ensure that the grower will get a reasonable price.

10. *To Dr. A. K. Newman.*] I cannot speak definitely of the climate north of Auckland. From Nelson and from the district inland from Hastings I have seen samples which would command a very fair price, but only as a blend.

JOHN NICOL, National Hat-mills (Limited), examined. (No. 4.)

I am a director of the National Hat-mills (Limited), Wellington. While in Australia recently it was noticeable to me, in reading the public Press, how the people there are urging new industries to be formed, especially primary industries, and as one walks through Melbourne one is impressed with the number of industries already established there. In Melbourne there are as many chimneys as in the whole of New Zealand. I attempted recently to get from the Customs Department the value of the felt hats imported into New Zealand annually, but I could not get the information. There is a tariff on hats and caps, which includes fur-felt hats, wool-felt hats, straw hats, and caps; they are all under one heading, and it is difficult to say what proportion represents the felt hats. It is suggested, however, that probably half represents the felt hats. In 1903 the importations were £45,000, and with slight variations it has gone up, until in 1912 it was £102,000, and in 1916 it was £139,000. The importing of these goods is greatly on the increase. Apart from war conditions, the industry has been going down. Years ago there were six factories in New Zealand, and now there are only three, which are much smaller than some of the factories that used to be in existence. In Dunedin there were two factories designed to make hats from rabbits' fur. At the present time the only way to carry on a factory is by importing the felt, which is made up in a shape like a funnel. It is prepared in England or on the Continent, and is finished here from that stage forward. I submit that this is an industry that ought to be supported by the country. We have some of the best furs—the rabbit-fur and the hare-fur—and a large proportion of them is exported. The export is growing. In 1914 the export was £48,000; in 1916 it was £76,000; in 1918 furs were not exported, but they are being exported now. In