

theirs to our level, so that when we have a surplus we could export to them, but that we have never been able to do. Split peas is in the same category; the duty is £2 a ton. The Australians have captured a certain part of our trade, but we can never capture theirs. It is difficult to state the total investment in machinery in New Zealand; we use it in making many other things. I should say, from £4,000 to £6,000, but that is only an estimate; it is nearly all labour-employing machinery.

D. REDPATH, Dominion Porcelain and Tile Industries (Limited), examined.

This company was floated some two years ago with the object of exploiting the Kakahu clay deposits and the manufacture of roofing-tiles, insulators, white ware, and Bristol ware. The first tiles were put on the market about twelve months ago, and the experiments in connection with this branch of the industry cost us a great deal of money. The tiles are a very high quality indeed, and the porosity compares favourably with any other tile in the world. It is quite possible for New Zealand to supply the whole of its own roofing-material. The company had attained the position of a large output in August of last year, but, unfortunately, the works were burnt down, and we have had to start all over again. We have now laid ourselves out for an output of thirty thousand tiles a week, and we are at the producing-stage again now, when the output should steadily go up. Roofing-tiles come into this country free. The machinery we have had to import to manufacture our tiles stands a duty of 20 per cent. In Australia they have become practically self-supporting, and there are tile-factories in New South Wales, Victoria, and South Australia. The duty on tiles being imported into Australia is 30 per cent. I contend that there should be a duty on imported tiles into this country, providing the Government can satisfy themselves that the country can produce tiles. The duty on iron is £2 per ton, thus the poor man's roof is being taxed, whilst the rich man's roof is let in free. Under the old French bounty system sailing-freights were obtainable from France to this country at a very low rate, and millions of tiles were dumped into this country at a very low rate. We commenced the manufacture of insulators some eighteen months ago, and they have been on the market ever since. Practically all the Government bodies have used the insulators, and they have stood tests which go to prove that they are, if not superior, at least the equal of any imported goods. It costs this company a great deal of money experimenting to get the necessary mixtures to obtain the standard goods we are now turning out. Electrical engineers in all parts of New Zealand are practically unanimously agreed that the class of goods cannot very well be beaten, and that the insulators are up to all their requirements. You will clearly understand that when I say this it refers to the low-tension insulators, as we have not yet had the time to experiment on the high voltage. This will have our attention later on. In regard to the experimenting both for tiles and insulators, this is a very costly business, as, although you can get chemists' analyses that will give you the basis to go upon, it is the actual experimenting in turning out the goods from the kiln that costs the money, and is absolutely necessary in this class of work. The Kakahu clay deposits which we own contain some fourteen different varieties of clay, all of which are valuable for different classes of clayware. We have had to confine our attention so far to the roofing-tiles and insulators, the manufacture of grate-backs and suchlike ware, as we have not had the trained staff to enable us to go ahead in the other branches. Our staff comprises thirty-three men at the present time. When we are going in full swing the works would employ some fifty-five hands all told. This, of course, would be increased as the output goes up. This business is practically a new one for the Dominion, and we are practically the first company that has been successful in turning out roofing-tiles of high grade and insulators of such quality. [Samples of the company's tiles and insulators exhibited to the Committee.] In any industry such as this, where the experimenting costs so much money we consider the Government should subsidize the experiment. The details in connection with the proper supervision of experiments could be gone into thoroughly, and I take it this Committee would not have to go into these details. We find there is a great difference of opinion amongst electrical engineers in their choice of insulators for certain work, and we think that the Government now that it has taken over the water-power schemes for electricity should standardize and set out what insulators are required, so that greater efficiency could be obtained in production. For instance, there are probably six different sorts of insulators being used at the present time for only one branch of the electrical work. One would do, thus assuring economy in production. Each insulator requires a different die and a different mode of burning. This, of course, adds to the cost of production of each article. We understand that the Government's experts are fully alive to the necessity of standardizing insulators. The greatest trouble in the variety is more particularly private firms, who require some special shape. This new clay industry can be made a very valuable one to the country, but it will require the utmost assistance from the Government on the lines that we have mentioned. I might state that the higher officials of the Government Departments—that is, the Post and Telegraph Department and the Public Works Department—have endeavoured to help us in every way possible by their advice and the placing of orders with us. The main points I wish to emphasize to you are tariff protection and subsidizing the experiments.

*To the Chairman.*] In regard to the duty to be put on tiles, I would suggest nothing less than the Australian duty, which is 30 per cent. *ad valorem*. The price of our tiles per square fixed on roof in Christchurch is £4 4s. If we had fifty thousand a week we could not supply all orders now. Our output will not be more than thirty thousand tiles per week; that would be our maximum output, and we have got to develop up to that.

*To Mr. Hudson.*] The demand is greater than we can supply.

*To the Chairman.*] The insulators have already got a duty, and I think we can compete with the foreign article.

*To Mr. Hornsby.*] At Kakahu experts tell me we can make anything, from a roof-tile to vase-ware. It is a wonderful deposit.