To Mr. Luke.] My personal experience is that there is no prejudice from the Government and county and other engineers against the locally manufactured article. If an article is manufactured in the Dominion preference is given to it by these officials. The proportion of wages in the higher class machinery to the total cost of the article is one-third of the sale value. It would be right to say it is about 60 per cent. in large engines. Taking engineering generally, the demands of the Dominion require considerable expenditure in wages. There was no particular difficulty in obtaining skilled men before the war. It could not be said there was a surplusage, but that was accounted for by the fact that apprentices were not being brought on. We have found that apprentices want to learn the engineering irrespective of the other branches, such as blacksmithing and moulding. The general trend is to engineering in itself. Generally speaking, employers are not favourable to allowing youths off in working-hours to attend technical schools.

To Mr. Veitch.] It is not possible to make the moulding branch more attractive to youths. If we pay more money, money is, after all, only comparative, and one department would pull the others up with it. You cannot pay a moulder apprentice more money without paying the engineer apprentice more. It would raise them both in wages, and you would be where you were before. The Arbitration Court says it is a crime to attach an apprentice to more than two branches. It was a diabolical thing to do. Trades outside the engineering have the same difficulty with regard to apprentices. Even to-day there is a chance for an apprentice in an engineering establishment to develop into a first-class engineer, but with the advancement of specialization that will be slipping away.

To Mr. Poland.] The attitude of the majority of the engineers with regard to the apprentices is that as the hours in New Zealand are forty-seven per week, against fifty-six or fifty-seven in other countries, they are opposed to apprentices being allowed off to go to technical schools during the forty-seven hours. An apprentice cannot learn better than when he is in the shop. As far as theory is concerned, it is admitted that the young fellows can learn more at the technical college than in the shop. He can do the theoretical part in the evening.

To Mr. Sidey.] The matter of our third suggestion has been considered collectively, and it is thought it would be better for manufacturers to go to other countries in order to study advanced methods. We have made representations to the Government, and have been joined in them by the employees. We were told that the Cabinet would sooner do anything than tackle a tariff. When the tariff was last under revision we were told that only foodstuffs were to be dealt with. The Farmers' Union was very active against us, but I believe they are now sympathetic. In regard to improved or advanced methods, as it is a Dominion matter we think the Government should appoint a Commission. It would be in the best interests of the Dominion to do so.

GEORGE T. BOOTH, representing Booth, Macdonald, and Co. (Limited), examined. (No. 50.)

A previous witness has informed the Committee that disk harrows are made to a considerable extent by the local factories, but some thirteen hundred are imported from abroad, mostly from the United States and Canada. My company has paid special attention to disk harrows. In the very early years of their development they originated in the United States; but the harrows made in the United States were not suitable for New Zealand conditions, and we set to work to try and develop a type suitable to New Zealand conditions. I think we might say that we have succeeded tolerably well. The result was that first one and then another American manufacturer copied our harrow. The International Harvester and the Massey-Harris Companies have now harrows in the market almost identical with ours; and at least two, I think, of the manufacturers in Great Britain have also copied them, and they are on the market also to a smaller extent. So far as manufacturing-facilities are concerned, we can with our present plant make the thirteen hundred harrows which are imported. We should, however, have to import the disks. They are of steel, and have to have a special carbon compound to give the necessary cutting-edge with durability and without undue hardness. There is no plant in the Dominion which can make them, nor is there likely to be for many years to come. We import them duty-free from England and America; most of them, I think, come from Sheffield. I think I am right in saying that every other part of the harrow is made here—that is, from the raw material. There are several points to which I was supposed to draw your special attention. One was the desirability that the Government should establish a Department of Industries. I believe there is a sort of Department of Industries connected with the Department of Agriculture now. There is no doubt that the State has up to the present done little or nothing to encourage or provide for the requirements of our secondary industries—that is, the manufacturing as distinguished from the primary industries. I think the time has arrived—and I do not think that feeling is confined to myself—when the State should recognize that it has a duty with respect to the manufacturing industries of the country. They employ a large and increasing number of workers; they help to an important degree in developing the nation's resources; and they contribute very largely to its production of wealth. I have here a very recent book written by Ellis Barker, a well-known writer on economical subjects. He gives the value of production in 1909–10, giving the details of the following industries: manufacturing, agriculture, mining, forestry, and fisheries. The total is thirty-two million dollars, and two-thirds of that total is contributed by the manufacturing industries. I quote that to show you that where manufacturing industries can be developed they are a tremendously important element in the development of a nation's resources and in the production of wealth. New Zealand at the present time is mainly a farming country. The United States was mainly farming up to the middle of last century, and now, mainly because of the development of its manufacturing industries, it is the greatest and richest industrial country in the world. A similar remark is applicable to Germany. Up to the time Germany adopted a protectionist policy they were almost purely primary producers;