

To Mr. Veitch: In connection with our building scheme, our main difficulty is with respect to the cost of the construction of buildings. If the scheme were carried out on a bigger scale the cost would be reduced. In the case of buildings made of concrete we would have our own gravel-pits, providing unequalled material, and in other ways it is trusted that we will be able to keep down the cost. The provision of a proper concreting plant would be a very important item. I would like the Committee to inspect the workers' dwellings which we have put up, and we can supply the Committee with particulars as to cost, &c.

To the Chairman: By law we are bound to charge the worker 5 per cent. on his unpaid money. I think the Government ought to let us have the money at, say, 4 per cent. In regard to the charge to the worker, it is quite possible that it might be brought down to $4\frac{1}{2}$ per cent., or possibly 4 per cent. The Patriotic Association did its utmost to get the Government to take over Mr. Moore's Rangitatau block. The Land Purchase Board came up, and we understood that it was practically decided to take over the block. Mr. Moore was prepared to sell the land to the Government at a much lower price than he was prepared to sell to any one else. It was understood that the business was practically closed, but after some delay the Land Purchase Board turned it down. Mr. Moore immediately got out his own subdivisional plans, and the land is advertised for sale within a fortnight's time. With a view to securing the most suitable parts of the land for returned soldiers the Patriotic Association has decided to invest some of their funds in the purchase of one or two of the blocks—the two blocks amount to 3,000 acres—with the view of subdividing them and reselling them to returned soldiers who are in a position to take up farming. It will not need much cash, because Mr. Moore's terms are fairly easy—10 per cent. down and 10 per cent. in twelve months, I think. The Government will only assist returned soldiers up to the Government valuation of the land. We assume that the upset price will be above the Government valuation, and we ask the Government to assist the Patriotic Association in finding the difference. I think the price that Mr. Moore asked for the land is lower than the price they would obtain by auction. The non-acceptance of Mr. Moore's offer by the Government will result in the association having to pay a higher rate. It is really the "eye" of the land that we propose to buy.

J. F. HOLLOWAY, Manager, Restar Limited, examined.

The tar-distilling industry has been in existence about five years, during which time a large amount of propaganda work has been done by the company in furthering the good-roads movement, with the result that very large stretches of roads have been put down in tar seal or tar grout, especially in Taranaki and Wanganui districts. As evidence that the facilities offered by Restar Limited to procure a suitable road-binder results in local bodies adopting a better style of road, it may be mentioned that the Auckland works established last year has been the means of greatly stimulating the good-roads movement in that district. Many of the counties in the Auckland Province have taken or are taking loan polls with a view to putting down permanent tarred roads. The greatest drawback, however, is the high railage rates on tars required by local bodies for their work. Obviously the higher the grade of tar the better for permanent work, yet the Department will carry the lower grade of tar at a lower rate than the better grades—why it is hard to say, as the latter represents a cleaner freight. The Department carry other roadmaking materials, such as metal, at a lower rate with the object of encouraging better roads. Under the changed traffic conditions good roads cannot be made without a suitable binder, therefore I claim that all road materials, including tar binders, should be placed in the same class. For the sake of comparison the different rates may be quoted (each rate subject to a war increase of 20 per cent.):—

On 50-mile Run.

Road-metal, scoria, boulders, shingle, gravel, and other materials for roadmaking consigned to and for the use of public bodies in lots of not less than 10 tons; carried at the convenience of the Railway Department— $\frac{3}{4}$ classified rates for Class Q = $\frac{3}{4}$ of 5s. 5d.	Per Ton.
	s. d.
Tar in 5-ton lots consigned to and for the use of local bodies—Class N	9 10
Tar (New Zealand manufacture) in ton lots— $\frac{1}{2}$ rate B, 26s. 10d.	13 5
Tar not otherwise specified—Class D	17 5

The position is that the Department will carry raw tar or the lighter distilled tars at 9s. 10d., but the most desirable tars, which we call "Restar," must pay 13s. 5d., an increase of 20 per cent. We submit that all materials for roadmaking should be carried at the same rate—namely, $\frac{3}{4}$ of Q—and that the raw material should also be carried at the same rate from the respective gasworks.

Regarding imported tars, it is a question of policy as to whether imported distilled tars should carry an import duty. The position is that whilst tars and the products of tars from Australia have free entry into this country, Australia has a protective tariff not only on manufactured articles, but on crude materials also—as, for instance, crude naphthalene, 25 per cent. [Sample shown.] To get into line with Australia all manufactured products of tar, including distilled tar, should carry a duty, and this would materially assist in building up an important New Zealand industry. As an instance, during the year 1917 (the latest figures available) the value of disinfectants imported into New Zealand totalled £20,463 (see "New Zealand Statistics," p. 288), representing about 200,000 gallons. There is no reason why all the disinfectant required for this company should not be produced in New Zealand. An article quite as good, and in many cases better, can be produced, but the cost of production in New Zealand is higher, owing to the higher prices for raw materials, ingredients for manufacture, and the higher standard