

but that his desire was that the amount of capital invested should be used to its full capacity. He wanted to see the population employed, and he would do his best to prevent same coming into competition with sweated and coloured labour. The Minister was to make a tour of the Dominion and inspect the industries concerned. In 1914 the war broke out, and, of course, during the last two years New Zealand manufactured lines, including candles, have been in considerable demand. The fluctuations in importations of candles are interesting. In 1912 there were imported 1,837,023 lb., and New Zealand sales amounted to 2,460,215 lb.; 1913—imported 1,944,846 lb., New Zealand sales 2,138,617 lb.; 1914—imported 2,543,276 lb., New Zealand sales 2,550,628 lb.; 1915—imported 2,327,995 lb., New Zealand sales 2,406,983 lb.; 1916—imported 1,751,786 lb., New Zealand sales 2,609,451 lb.; 1917—imported 364,219 lb., New Zealand sales 2,881,767 lb.; 1918—imported 764,039 lb., New Zealand sales 3,330,661 lb. Since the armistice was signed there has been a general falling-off in trade, and everything points to the fact that trade is going to be exceptionally keen, and so far as our competitors are concerned we shall be placed in a very much worse position, because the rates of wages have been considerably increased, and there has been a general advance in the cost of coal, box timber, railage, cartage, engineering requisites, printing, &c. If our anticipations are correct, then the arguments and facts placed before the Government in 1913 should be taken into serious consideration. We particularly desire to emphasize the fact that the candle industry has never in reality received a protection through the Customs even with the duty of 1½d. per pound on imported candles, as we have had to pay 1d. per pound duty on paraffin-wax, thereby reducing the protection to ½d. per pound. This small margin is quite inadequate, and the remedy is, we are fully convinced, to be found in the recommendation made by the manufacturers in 1913—viz., either by increasing the duty on imported candles, or decreasing the duty on paraffin-wax, or by both—that is to say, the duty on candles could be increased by ½d. or the duty on wax be decreased by ½d., or ¼d. could be put on to candles and ¼d. taken off the wax, the object being to secure a further margin of ½d. between the cost of the wax and the cost of the candles. In Australia the general tariff is 2d., and on importations from the United Kingdom 1½d. This, we understand, in Australia is giving satisfaction, and has been the means of limiting importations of candles. It silently and effectively discriminates against coloured labour. We strongly and urgently recommend that a similar tariff be adopted by our Government in preference to taking any of the duty off wax, because we are not asking the Government to make any sacrifice in regard to revenue. Further, its retention would help the manufacturers, if necessary, to make stearine candles if the price of wax was increased out of proportion to the price of tallow. In this respect it must be remembered that at present we are entirely dependent upon outside producers for the supply of wax, and if the duty was taken off it is possible for a combination to raise the price of wax and thus deprive the user of candles here of the benefit of the concession. It is possible that the mineral-oil industry in the Dominion will still be further developed, and the retention of the duty on the wax will certainly to a considerable extent be an inducement for the investment of outside capital. The New Zealand companies undertook to purchase any wax produced, and are still prepared to do so. We believe that the general feeling in the community is that industries employing white labour should be fostered and adequately protected, and it is very apparent to all that if the standard of living is to be maintained wages cannot be materially reduced, therefore an adequate return for the investment of capital, and permanent employment, can only be secured so far as the candle industry is concerned by the necessary protection through the Customs tariff. In regard to linseed-oil, this could very easily be made here, and we would suggest that a duty of 2s. per gallon should be put on imported oil and £3 per ton on imported linseed. Mustard also could be made here, and we would suggest a duty of 2d. per pound on the imported article. I may add that the war gave us all the protection we wanted, and more, because we could not supply the demand; but now that the war is over the conditions will go back to the conditions of 1914. I have here a copy of a memorandum which was handed to the Minister of Customs by a deputation of New Zealand candle companies. [Memorandum read.]

*To Dr. A. K. Newman:* I do not think there is a probability of the competition from Burmah decreasing.

*To Mr. Sidey:* In the event of protection being afforded we would be agreeable to the State regulating the price. I do not think the suggestions made would affect the wax vestas company.

*To the Chairman:* Our packets are slightly over 16 oz. gross. We have to compete against packets of 12 oz., 14 oz., and 15 oz. During the war we did not attempt to get the highest price. In regard to caustic soda and other material, that is free.

A. HARVEY, representative of Alex. Harvey and Sons (Limited), examined.

We manufacture milk-cans and other metal-ware. Stamped metal-work is imported into New Zealand free of duty. It is possible to produce almost any article by the stamping process, and if these articles are imported with only one operation to be performed they come in as stamped, and are duty-free. Therefore we get practically no protection, except the little bit of labour required to finish off. Take a milk-bucket, for instance: the stamped bodies come in free, also the hoops and other parts, provided the buckets are not curled over at the top and the wire put in. The same also applies to many things which come out nested. Sweden and other countries can send out parts of milk-cans, provided they are finished off, paying 10 per cent. duty, which I submit is not enough.

*To Mr. Veitch:* We suggest that they should pay the ordinary duty, as on manufactured articles. We would like to see 25 per cent. duty on metal manufactures, whether completed or in the process of manufacture. We think it is reasonable, in the case of foreign goods, that there should be half as much more.