

The following figures show the total quantity of New-Zealand-made cigarettes on which excise duty was paid during the financial years 1925–26 to 1929–30, inclusive. This Department has no information regarding the value of the cigarettes manufactured in New Zealand.

Year ended 31st March,	Quantity. lb.
1926 .. .. .	257,776
1927 .. .. .	242,466
1928 .. .. .	304,575
1929 .. .. .	403,412
1930 .. .. .	656,311

(7) The total quantity of New Zealand leaf tobacco and the total quantity of imported leaf received by the tobacco-factories for use in the manufacture of cigarettes and tobacco, and the proportion of New Zealand leaf so received, were as under :—

Year ended 31st March,	New Zealand Leaf received.	Imported Leaf.	Total Leaf Tobacco.	Proportion of New Zealand Leaf.
	lb.	lb.	lb.	Per Cent.
1926 .. .. .	129,136	346,378	475,514	27·2
1927 .. .. .	86,685	362,996	449,681	19·3
1928 .. .. .	264,285	588,811	853,096	31
1929 .. .. .	687,168	1,247,269	1,934,437	35·5
1930 .. .. .	804,906	1,621,135	2,426,041	33·2

TOTAL QUANTITIES OF FOREIGN LEAF IMPORTED, 1927–30.

*By National Tobacco Co., Ltd.*

Period.	Weight.	Average Price.
	lb.	
1st January, 1927, to 31st December, 1930 .. .. .	1,248,000	27 cents f.o.b. Newport News and New York.
1st January, 1930, to 31st March, 1930 .. .. .	210,000	26 cents f.o.b. American ports.
1st April, 1930, to 30th June, 1930 .. .. .	180,000	26 cents f.o.b. American ports.

*By W. D. and H. O. Wills (N.Z.), Ltd., and Associated Companies.*

Year ended 31st March,	Weight. lb.
1927 .. .. .	222,402
1928 .. .. .	349,479
1929 .. .. .	625,042
1930 .. .. .	1,032,405
Period 1st April, 1930, to 30th June, 1930 .. .. .	430,307

From the above returns it will be noted that Messrs. W. D. and H. O. Wills do not quote the average price paid f.o.b. American ports for their imported leaf.

The general manager in a letter addressed to the Committee states in reply to a question asking for the prices paid for each grade and the quantities of each grade imported : “ We do not import this tobacco by grades, but in blends, and it is therefore not possible to give prices by American grades, but it may be classified in seven main qualities, for which the prices f.o.b. New York are as follows : Z, 49·1d.; Y, 39·3d.; X, 34·3d.; W, 39·1d.; V, 28·7d.; U, 25·8d.; T, 18·1d.”

As these figures were much in excess of what the Committee understood the usual prices f.o.b. American ports to be, the opinions of experts were sought on the particular question. The Chairman asked Mr. G. Husheer, managing director of the National Tobacco Co., this question :—

“ I shall put this question now : Would you say that the price of 4s. 1·1d. as given by a company importing into New Zealand would be an indication of the price usually paid by tobacco-manufacturers for American leaf ?—No; such a price is quite excessive. I have been in the tobacco trade for forty-five or fifty years and have travelled in almost every country capable of producing tobacco, and have never come across such a price, except for Sumatra tobacco or fine Turkish tobacco, but not for American.

“ Would there be any use for such tobacco to the manufacturer in New Zealand ?—No.

“ What opinion would you offer on this : Prices at port of export—Maximum price, 4s. 1·1d.; minimum price, 18·6d.?—I can only repeat what I have said. I can land here in New Zealand good sound coloury leaf at 1s. per pound—not very coloury, but semi-brights. I can land semi-brights at 1s. per pound.”

Mr. R. L. Gracie was examined on these figures, and did not correct them in any way, as his evidence shows :—

“ *The Chairman.*] In Mr. Smith’s letter the price is stated at 18·6d. at the American port of export for the last grade you import ?—Yes.

“ And for the highest grade 49·1d. at the American port of export ?—Yes.

“ What do you use that for ?—Mostly cigarettes.