

12. That arrangements be made from time to time by the Advisory Council through the Empire Marketing Board as an independent agent to test the export market in the United Kingdom with selected parcels of New Zealand leaf, such leaf to be drawn from different grades and several localities, and that every such parcel shall consist of 1,000 lb. weight of tobacco-leaf.

13. That arrangements be made from time to time in a similar manner through the New Zealand Trade Commissioner to test the Australian tobacco-leaf market.

14. That the Government be recommended to pay compensation to the Te Atatu growers, based on the sum of 2s. 3d. per pound for flue-cured and 1s. 4d. for air-cured leaf, in accordance with the representations made to these growers before they commenced to grow under the supervision of the Department of Agriculture by certain officers of that Department, and that such compensation should be paid on all leaf forwarded to Wellington by the Department.

15. That the usual shipping and other export marketing charges should be regarded as a proper offset against the net prices quoted in the former resolution, but that no expenditure incurred by the Department in the rehandling of this leaf at Wellington should be debited the growers: such expenses in the opinion of the Committee, should be met by the Department.

16. That, in view of the published statements appearing in several of the prospectuses of tobacco-growing companies recently registered, the Committee recommends that the Companies Act be amended in the direction of requiring any person, persons, or company to have and obtain the prior consent of the permanent head of the Department of State to the publication in any prospectus of any statement or statements made or reports written by any officer of such Department other than matter contained of official publications of the Department.

17. That in the opinion of the Committee the bond series of any tobacco-growing company registered in the Dominion issued for public subscription should be also registered under the Companies Act; and, further, that the law should be so amended to make this principle of registration generally apply to the bond series issued by any concern registered under that Act.

18. That, in view of all the evidence tendered it, the Committee feels that it must express a word of caution for the guidance of such of the general public as may be desirous of investing in any one of the many tobacco-growing companies that have been registered recently in New Zealand, and particularly to those investors in the Commonwealth of Australia, where at present bond series are being offered for public subscription.

19. That your Committee has carefully considered the prayer of the petition of W. J. Smith and 295 others, and, in view of the recommendations hereinbefore expressed for the protection of the tobacco-growing industry, has no recommendation to make thereon.

20. That your Committee has given careful consideration to the prayer of the petition of R. R. Hodgkinson and thirty-six others, and has granted such prayer by thoroughly investigating the premises of such petition.

21. That your Committee sympathizes with the said petitioners, and regrets that because of their good faith in the manufacturing company they have faced the expenditure of loading their properties with the necessary flue-curing appointments, and recommends that the position of these growers should be a matter for the immediate consideration of the Tobacco Advisory Council when the same is set up, and especially the circumstances of those farmers who have not since succeeded in obtaining a contract to grow for the National Tobacco Co. The Committee desires to add that it is satisfied that had a Tobacco Advisory Council been constituted at the commencement of the growing operations on a commercial scale in the Dominion these growers would not have been placed in the unfortunate position outlined in their petition.

22. That the Government be urged to come to an early decision in respect of the recommendations of the Committee, to enable the tobacco growing and manufacturing industries to be placed on a stable basis, especially in view of the fact that certain of these recommendations relate to tariff matters.

Material assistance to the local tobacco-growers is contained in these recommendations by the proposed tariff alterations, the definition of certain tobacco-revenue tariff items, and especially by the proposal that an expert tobacco official, to be known as the Director of Tobacco-culture, be appointed; while the creation of an Advisory Council will give the growers a voice in their industry, and will also bring together the several interests to further a common object.

The local manufacturing companies will be fostered by the adoption of these proposals, and the Committee anticipates that the preference proposed will result in greater manufacturing activity, especially in the absorption of New Zealand leaf.

From the report of the Committee the general public will, it is anticipated, be able to judge also the present and future prospects of the industry.

The Committee, finally, desires to place on record its cordial appreciation of the many services rendered members by Mr. H. K. Hawken, Clerk of the Committee, and also for the able way in which he executed his duties.

Minutes of evidence attached hereto.

GEO. C. BLACK, Chairman.

22nd Day of October, 1930.

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