

Raw Material employed.

Pig Iron—Imported from England. This is unavoidable.

Bar and Rod Iron, Boiler Plate, &c.—Imported from England. This is unavoidable.

Coal and Coke—Imported from England and New South Wales. Both of these can be produced in New Zealand, the coal of Greymouth being superior to the imported article both for steam and smiths' purposes and for coking.

Copper and Tin—Both of Australian production.

Skilled labour is very difficult to be obtained and the rate of wages very high.

Capability of Extension—As before stated, I consider that with additional machinery I shall, on the completion of my new premises, be in a position to undertake any repairs likely to be required in this port for some years to come.

I am of opinion that my business could be carried on in an efficient and thoroughly satisfactory manner with a capital of £12,000 to £14,000.

In conclusion, I would point out the paramount importance of the immediate erection of a dock or patent slip, as, to my certain knowledge, numbers of vessels are constantly passing this port from the West Coast, and northern portions of the Colony, on their way to Port Chalmers for the purpose of being docked.

I am credibly informed that the head-quarters of the vessels of Her Majesty's Navy on the Australian station are, for the future, to be fixed at Wellington; and, if such be the case, I consider it absolutely necessary that every facility should be given them for executing any repairs they may require in this place.

Should the Committee require any further information I shall be happy to give all I can, either personally or by letter.

I have, &c.,

The Chairman of Joint Committee on Colonial Industries.

ED. W. MILLS.

No. 10.

SIR,—

Nelson Brewery, Nelson, 8th August, 1870.

We have the honor to acknowledge receipt of your circular of 30th ultimo, requesting information regarding the rise, progress, present position, &c., of the brewing interest in the Colony; also, specially, as to the growth of hops and manufacture of malt.

Our brewery, which, we think, was the first established in the Colony, was commenced in the year 1843, and we believe the success which attended the undertaking induced others to embark in the business in other parts of the Colony to such an extent that now sufficient ale and porter could be produced by the various establishments, not only to supply all local requirements but also to do a large export trade. Our own plant alone is at present capable of producing 180 hogsheads per week, which could easily be largely increased if a foreign trade could be obtained.

There is no doubt that the climate of New Zealand, or rather of the southern portion of the Colony, is eminently adapted for brewing operations, not being subject to the excessive heat of Australia, which must render the production of sound beer a matter of the greatest difficulty, if not making it almost impossible. Again, some portions of this Island are eminently adapted to the growth of the finest samples of malting barley, and we can speak from experience that this Province is capable of producing hops of excellent quality; in fact, by preference, we now use nothing but locally grown hops.

With regard to "the extent to which the business is capable of extension," we can only say it is limited by the number of consumers. In this Province the local ales in bulk have virtually superseded imports, which had been increasing until 1863, when they reached 19,080 gallons. The imports for the year ending 30th June last were only 4,582 gallons.

The price of colonial ale has gradually been reduced as the consumption has increased, until now the profits are cut down to a minimum; and it is only the increase of business which now enables a profit to be earned for the requisite outlay of capital in expensive plant and buildings.

This brings us to the consideration of the impediments at present existing in the way of an extension of the brewing trade. A large export trade might be done to Australia in ale and porter (both bulk and bottled), in malt, and also in hops. The duties in Melbourne are: On beer, 6d. per gallon; on malt, 6d. per bushel; and on hops, 2d. per pound, which are prohibitive. Were these duties removed or reduced, by a reciprocity tariff between the colonies, a large extension of business would follow. There is another serious drawback to this particular branch of industry, which is, the want of a colonial manufactory of ale and porter bottles. At present we are, in common with other brewers, dependent for our supply of bottles upon those which have been imported with English beer, and, of course, this restricts this branch of our trade entirely to local consumption. Were bottles to be obtained from a colonial source, and at a reasonable rate, a large business could be done in export to Australia.

With regard to the growth of hops, we have been engaged in growing hops in this settlement for the last twenty-four years; and, as before stated, now use locally grown hops in preference to imported ones, as the latter deteriorate very considerably on the passage out. We estimate the cost of planting an acre of hops, containing 1,200 hills, as follows:—

Say—Rent	...	...	...	...	...	£5	0	0
3,600 cuttings, at 3s. 6d. per 100	...	...	...	...	...	6	6	0
Labour, planting	...	...	...	...	...	28	0	0
" cultivating	...	...	...	...	...	28	0	0
2,400 poles, at £28 per 1,000	...	...	...	...	...	67	4	0
30 loads old manure, at 7s. 6d.	...	...	...	...	...	11	5	0
Labour, tying	...	...	...	...	...	4	0	0
Oasthouse and storeroom, say	...	...	...	...	...	60	0	0
Total cost of planting	...	...	...	...	...	£209	15	0