

for consideration upon the Legislature?—That is a matter to be left to the members of the Legislature to determine whether such could be construed into a warning. *Mr. Robertson.*

234. In the last paragraph of your statement you say that under no circumstances which you think likely to occur could distillation be carried on at a higher rate for many years to come. How long a time might we understand you to say?—Perhaps that is a strong expression; but it would be a considerable number of years. 29th July, 1874.

235. I presume you anticipate a greater equalization between the rate you pay for your labour and the home rate in a few years?—We have very little ordinary labour. It is nearly all skilled labour, and it is exceedingly scarce, and is competed for by brewers and maltsters. We pay very little ordinary lump sum wages.

236. Do you think that, with a larger demand, the rate might be increased without injustice to existing distilleries?—That is a matter of overcoming the prejudice which exists, to a considerable extent, especially in the North Island, to enable us to get a higher price. If that were done, there would be a larger business.

237. According to your statement, your business is doubling itself?—No doubt the business is increasing, but there has been only a small margin of profit hitherto.

238. Do you not think that, say in four years, your business will have so increased as to enable you to carry on at a profit, and to allow a slight increase?—I think so; and there would be the likelihood of being able to yield a fair return by that time to enable us to do what we would desire, to assist the revenue.

239. *Mr. Macandrew.*] What would be the relative effect upon your business as between raising the excise duty 1s. and lowering the import duty 1s.?—By lowering the duty on imported spirits you would make our business worse by 1s. than it is at present. Parties would rather buy the imported spirit when the margin was lessened by the reduction of 1s. At present the margin is 3s. or 4s. between ours and the imported article in favour of the latter.

240. *Mr. Reid.*] I presume the fact is that you thought the one very unlikely?—We never entertained an idea of it.

241. If you had the choice, you would have no difficulty in deciding which you would prefer?—No; I think not.

242. *Captain Kenny.*] There is a difference of 6s. in this duty between the article you manufacture and the imported article; and there is about the same difference in the market price. Why is it that with a difference of 6s. you do not make considerable profit?—Home spirits could be bought at Home at 3s., while ours cost 6s.; and Home spirits were worth 3s. to 4s. more per gallon in this market.

243. You say you were subject to a prejudice which is fast wearing away?—In our part of the country.

244. If that prejudice were removed, you would then be in a position to ask the same price in the colonial market as is asked for the imported article?—No, certainly not. People would always prefer the imported spirit at the same price.

245. If the prejudice were removed, would not the public taste consider the colonial article as good as the imported?—I may mention, that although they do use our spirits, they never admit they do; the difference in price only inducing them to buy our spirits.

246. In your opinion, is there any difference in the colonial article?—There is a great difference in the taste. We believe ours to be as pure; but from some peculiarity in the water or the malt, we have never been able to make our whisky like Scotch.

247. In your opinion, is the spirit you manufacture as good as imported?—It is as pure.

248. If this prejudice could be removed—if the spirit you manufacture is as wholesome as that imported—if it is simply a question of taste, that might be removed, and in that case the prices could be equalized?—We never expect to see anything of that kind.

249. *Mr. May.*] The statement was made to you as to the Government lowering the duties; did you consider their requirements so great that they were never likely to lessen the duty?—That was the principal idea in our minds.

250. *The Chairman.*] In one part of your statement you say that by reason of your inexperience you sustained a heavy loss on some spirits you manufactured at first. Can you state what that loss would be?—We lost 22,000 gallons, which were put into bond, and when we examined we found that it was tasted with the kauri; that was a serious injury to our business. I could not venture to estimate the loss. It might be some thousands of pounds. In fact, it was most injurious to our business. We did not find it out till the spirits had been sent all over the country. It was found out by strangers; not by ourselves.

251. Can you tell what expenditure you have been at in enlarging your plant since receiving the notice of the 3rd of January?—I believe we have expended between £5,000 and £6,000.

252. That is since receiving the warning of the 3rd of January?—Yes.

253. *The Chairman* read a portion of Mr. Robertson's statement as to the article produced by them, and as to removing the prejudice which existed against colonial-manufactured spirits. Question put: Do you think that ultimately you will be able to remove that prejudice?—If the duty remains as at present we will be able to do so; but we will never be able to get the same price as for imported.

254. You state that your trade is increasing, and that you produced 54,000 gallons in 1873: At what rate do you expect that it will go on increasing?—That would depend very much upon the demand.

255. Supposing the duty to remain as at present, what do you think the increase would be?—10,000 to 15,000 gallons. That would be a considerable increase.

256. I am speaking of the sales. What proportionate rise would you expect for the current year's increase?—It might be 10,000 gallons.

257. Not more than 10,000 gallons?—About that. That would be considered a handsome increase.

258. In the last paragraph but one of your statement you refer to submitting to a repeal of the