

221. But supposing the Inspector did not open some of the bales the inspection would be valueless?—Certainly.

222. You would not, I presume, consider it possible to make it compulsory that flax should be examined before shipment?—Yes, I certainly would.

223. I scarcely follow you there. My idea was, of course, that the advantage obtained from the certificate of the Inspector would itself induce inspection on the part of those persons who had a first-class sample?—Then, if you are not going to make this general, and you are not going to legislate except for those who desire to obtain the benefits that may arise, you are opening the door to people to send out inferior flax, notwithstanding the precaution their neighbours are taking to send a good article.

224. Does it not follow that if you had machinery whereby a first-class article would be submitted to inspection, and would go home with a brand showing it to be first class, the article which had not been so submitted would suffer?—I am afraid the opposite effect would be experienced. Suppose, for the sake of argument, that we take 50 per cent. so examined by the Inspectors and 50 per cent. not examined, the result would be that you would have 50 per cent. of fibre, probably inferior, competing against the good article in London.

225. That would be unbranded fibre?—But nevertheless it would be New Zealand hemp, and it would be there as a substitute, in the same way as New Zealand hemp is substituted for other fibres.

226. After inspection by the Government Inspectors, you would require their certificates given to the exporter, and every bale could be branded to indicate it had been so passed, either as a first or second article?—Certainly; you could grade them as you like, but every bale should be branded.

227. You contemplate there should be some charge per bale for passing the Government Inspector, out of which some of the cost of the inspection would be provided?—Yes.

228. *Mr. Marchant.*] I gather from your evidence that, in your opinion, the matter of reducing the cost of production should not be the only consideration?—No.

229. That we should bear in mind to turn out a better article, with the object of raising the price of the whole of our hemp in London?—Yes.

230. And you consider that if we could turn out hemp of a much better uniform quality that the price would undoubtedly be raised materially in the London market?—It is shown now. Hemp is at the present time exceedingly depressed in London.

231. The present depressed state of the market is due largely to the shipment Home of considerable quantities of inferior flax?—I think it is.

232. *Hon. Captain Russell.*] I do not quite understand what process of inspection you would recommend?—It is a difficult matter to suggest how it should be carried out. As I said before, I did not come here prepared for examination, but was called upon at a moment's notice to attend. I think myself, as I have said before, that the mere effect of appointing Inspectors would be to deter people who are now alleged to be producing inferior stuff.

233. I want you to be more concise if you will?—Well, supposing a man consigned fifty bales, when it came down you might take 10 per cent. of that promiscuously, and if, on examination, they were found not to pass the standard of inspection set up, then the whole consignment should be condemned.

234. You mean by opening the bales?—Yes. I understood from Captain Rose that the Harbour Board contemplated putting up a proper place for the examination of hemp before it went out—that is to say, all doubtful hemp. If there was no doubt about it it would pass. I think the Government Inspector might examine 5 or 10 per cent. of each lot of flax that comes down at stated intervals from any particular producer. I mean that he would examine a few bales out of each heap promiscuously, and if either of those did not meet the standard the whole consignment would be rejected.

235. Why would you treat flax differently to wool, grain, or any other article exported? Why should not, in fact, a good article in the course of one or two years command its own market?—Well, wool and flax are not analogous, for wool is a permanent industry, and has established itself for many years; flax is practically, so far as its new régime or demand is concerned, a new enterprise, and it behoves the country from which it is exported to take every precaution necessary to make it an established article. That is one reason why we should take more than ordinary measures.

236. What I want to know is this: Say, if a flax producer is continually sending Home flax as the ships leave Wellington, is not his brand known soon as a good, bad, or indifferent one; and is there any reason why its value should not rest on the known integrity of its brand?—No; to begin with, the manufacture of flax is not like the manufacture of wool, for the reason that wool grows in good weather and bad weather almost alike, providing the sheep are properly fed; but it is not so with flax. New Zealand hemp in wet weather is subject to all kinds of difficulties of drying, bleaching, and such matters, but in the summer months it is not subject to so much difficulty. If you take all the year round you would find that there was a considerable percentage during the winter months not equal to the sample sent out in the summer months.

237. Would not the purchaser know that?—Not necessarily. There are a number of people who have set up mills and gone into the flax industry without really any knowledge of the undertaking, and so long as they can get their fibre dressed and sent away and get their advances they are content. I do not say that applies to all flax producers, but it applies to some—they are content, no matter what the effect of their being allowed to send away an inferior article has upon the industry. A lot of these people are not caring for the future at all, whereas we should all be united in the effort to produce the best fibre we can out of the country, in the same way as large sheep-farmers do, most of them having something at stake. That is where the shoe pinches in regard to the adulterated and unbleached fibre which goes out. Many of the people have nothing