636. Does not the hope suggest itself to you of the fibre being manufactured into cordage and twine here in New Zealand to supply the wants of Australia for those articles?—Yes, I do not see why it should not be so.

637. And is there no chance of the fibre being manufactured here and sent to Australia as a commercial success, or must it go home in its raw state and there be worked up by cheaper labour, and be re-exported to Australia? It seems a very clumsy roundabout process?—They are sending some from Auckland, Christchurch, and Dunedin, as I have said before, and some from Home as well. A fibre company was carried on in Auckland, but I think it was a failure. I do not know how. Probably the wages were too high for them to be able to compete with the Home manufacturers.

638. *The Chairman.*] Do you think it possible, Mr. Brown, that improved machinery would manufacture our flax so that it might compete with Italian flax or the English flax for textile purposes?—That is a question. It will never compete with the Russian hemp, and unless it is done by chemical means we shall never get it so fine as the Italian. It will never be done by machinery.

639. *Mr. Marchant.*] You do not seem to have very pronounced views on the subject?—No, on account of the failure in Auckland. They could not carry it on there. They have started again, but it is nothing to what it was.

640. *Major Steward.*] Is the New Zealand flax, as at present prepared, suitable for the purposes of navy rope?—Yes.

641. It has been asserted that by the present mode of preparation the gum is left in the fibre, and the presence of that gum prevents the rope taking the tar—that is to say, it cannot be tarred. One witness said, "It spews out the tar." Is that so?—No, it is not; it takes the tar just the same as manila.

642. Even as now prepared?—Even as now prepared.

643. That is a matter of importance for this reason: that if New Zealand flax could be used for navy purposes, cordage, and so on, there would be a demand for it which does not now appear to exist, owing to the alleged reason I have stated to you?—It takes the tar. I was working at Lloyd's, and we tarred immensely there. Mr. Lloyd made rope for running-gear for a vessel which went to San Francisco and Home and out again, and the captain told Mr. Lloyd he had never had better gear aboard the vessel. It appeared then, after that time, to be just like catgut, and had a smooth surface upon it.

644. Who is the Mr. Lloyd you refer to?—Mr. Neil Lloyd, who came out from Greenock, and was a rope-maker by trade in Auckland.

645. *Mr. Marchant.*] Have you any suggestion to make, Mr. Brown, as to the encouragement of the rope-making industry in New Zealand?—I do not know if the Government could have anything to do with that. It would be simply merchants who would take that up. There was a Mr. Gibson who went into it on a large scale, and we were going to take it up, but he was called Home.

646. The cost of labour is a serious drawback?—Yes, the wages are so high you cannot compete with the Home manufacturers.

647. Is the difference in wages so great as to compensate for the large extra expense of sending Home the raw material to be made up there and shipped out again a manufactured product to Australia?—No, I do not think it is.

648. *The Chairman.*] As to the vessel which you state was rigged in Auckland, was it rigged in consequence of damage sustained, or was the vessel built in Auckland? Was it merely a question of refitting?—It was simply a test.

649. It was refitted for a test?—Yes.

650. *Mr. Walker.*] I should like to know if you can explain why, if this test came out satisfactorily, the matter was not established there and then, and why we should have witnesses coming and telling us it would not take tar? If it was established so conclusively as you believe it to have been the people would know better than to say it would not take tar?—I have often wondered why people do not go into the tar more. I have said that if I had capital here I would start it and send it Home. I was judge at the Exhibition here of the fibres and ropes, and a person came up from Christchurch with some, and it was horrid to look at. It was the same as coal-tar. Of the Stockholm and Archangel tars the Stockholm is the best, and it requires a little oil in boiling.

651. *The Chairman.*] Can you give the Committee any information about the cost of refitting this vessel? Was it done at as cheap a rate as it could be done in the Old Country?—Yes, cheaper.

652. It was refitted more cheaply than could have been done in Great Britain?—Yes. I should like to make some suggestions. I think the Government, if they took it up, should be careful about cutting the green flax, and to have all the best dumped by itself, not to have first, second, and third class dumped together.

653. *Major Steward.*] That is to say, each bale should be made up of the same kind?—Yes.

654. *Mr. Walker.*] In dumping you would have two bales to be always of the same quality?—Yes, and it would be better if it could be done without dumping. If we had a hydraulic machine the bales would go Home far tighter; but here when it is dumped it sometimes breaks loose, and when it reaches home the bands are gone.

655. *Major Steward.*] Would it make much difference as to the bale? Could they reduce it very much?—I cannot say what the reduction would be. To my mind it would require six grades to start with, and this could be afterwards reduced to about three. If a man got the fifth grade he would try to improve until he got the fourth and third, and so on. I have not come across any wet bales—bales which have been wet in the heart. There were two or three cases where I thought the bales had been on fire: they were wet; but, as Mr. Seymour says, it might not have ignited but rotted away. And in hanking I should suggest that great care should be used in putting