

they should have bought. It was not absolute carelessness, but doubt as to what was required. I am right in this, I believe, because our own correspondent sent us out at the beginning of the trade (or early in it) sample bales, of which they were prepared to accept shipments, to be classified as "fair average." About nine months afterwards they wrote to say that these bales could not be allowed then to pass as fair average—their own sample—consequently there was a little ignorance at both ends. There was also a great rush to get hold of flax, and people who had committed themselves to contracts, say, at £15, £16, or £17, could not afford to reject what seemed inferior on the chance of replacing in the market, the price having gone up to £21; and perforce they were obliged to ship without the careful inspection they would have otherwise given to the stuff.

705. Do the Committee understand that you are in favour of a Governmental inspection?—I am thoroughly in favour of it, and I should make it compulsory. Unless it is made compulsory you could not carry on the work.

706. You have heard what Mr. Gale said about the charge necessary per ton: What is your view of the matter?—I think he has underestimated the figure altogether. If you take the shipments here in Wellington—of course, this year they are going to be rather less from Wellington than last year—suppose you ship forty thousand or fifty thousand bales, that would be only £200 at 6d. per ton, or 1d. per bale. I should say that at the very least 1s. per ton should be charged; but you might try 3d. per bale, perhaps, as a start. The only difficulty in charging by the bale is that some bales are put up in two-hundredweights and some in four, and it would be better to have a charge per ton.

707. The price, you think, should range from 1s. to 2s.?—From 1s. to 1s. 6d. per ton. But you must bear in mind that in other parts of the colony the shipments are smaller, and that it would never pay in such cases to fix the rate I have named. I fancy each port would have to get a rate fixed.

708. *Mr. Walker.*] It is small in Dunedin?—Yes, very small; and in Napier the shipments are small.

709. *Major Steward.*] The principal ports of shipment are Auckland and Wellington?—Yes. A fair quantity goes from Christchurch and Lyttelton. I fancy they exported about one thousand bales a month last year; so that, if you take twelve thousand bales, you would require 6d. a bale to pay an Inspector in a case like that.

710. *The Chairman.*] Have you had any experience of the effect of moisture in flax?—None. We have always rejected any damp bales, or got them redried before shipment.

711. It has been stated that the "Merope" was lost by fire owing to having flax on board?—I do not think that is likely. The experiments that have been tried with flax have always resulted in getting it up to a certain degree of heat, when it might be calculated it ought to have taken fire, instead of which it decayed.

712. Do you think, Mr. Duncan, that the offer of a bonus by the Government would lead to favourable results in developing the industry—say, a bonus for improved machinery?—Yes; I think it would be a good thing to give a bonus for an improved machine, or machine and method of dressing.

713. From your correspondents in the Old Country, have you any indication that it is possible that our flax may be used for other purposes than those for which it is now used—for textile fabrics?—No; we have no indication of that. It is impossible to say what they might think on that head, if properly-dressed flax were sent Home. But all our machinery is of the very crudest nature at present; and every one will agree, I think, that the present system is based on a wrong principle. The beating that is necessary to remove the green from the flax must, more or less, destroy the fibre; and that is one reason why I think the Government would be wise to offer a bonus for a proper machine.

714. *Mr. Hamlin.*] Have you any idea how the grading could be carried out practically or systematically?—I think what Mr. Gale gives you as his view would answer our purpose.

715. And you think that would be sufficient to warrant the Government Inspector, suppose one to be appointed, in affixing the Government brand upon it, after passing inspection here?—Yes; I think so. If we had twenty bales to examine we would draw four or five hanks from different bales, and if they all looked well, and there was nothing wrong with them, we would open one in five, and if the average was right we would pass the lot.

716. Is it not a fact that flax when cut is mixed, and when dressed you may have two or three different kinds of fibre in one ton?—That is so.

717. Then, how are you going to guarantee that it is of the fine quality or ordinary?—The classification and grading now is, more or less, by the colour and cleanness from the vegetable matter on the tips; and the great objection taken at Home is where the stripper has not been working properly, and runners with dried vegetable matter adhering go through the whole length. The classification that I suggest would be to secure as fair average hemp like this (pointing to flax on the table)—clean, well finished off at the tip. Where there are strawey runners you would class it as coarse.

718. Possibly you might get one of the hanks in a bale with vegetable matter left on the edge, and all the bale might be clean otherwise?—Then the Inspector would classify it as fair average.

719. I was speaking of fine?—If you come to fine, that is a totally different matter; the miller himself must be the judge, and place it before the Inspector as fine.

720. You must classify at the mill?—Every miller would do that if he could.

721. Provided he knows the different classes of flax? Unless he knows them it is impossible for him to do it at the mill?—I do not think we go into such nicety as regards the classification just now. We might do so hereafter; but practically all the different classes of flax grown in the colony are taken and packed up together. But at the mill, there is no doubt, half the damage takes place owing to the strippers getting out of order; and then the miller, if he is an honest man, knows his flax is going through badly, and he will work that up by itself and sell it as coarse and