years, 1884 to 1888, is £157,659. The value since the 20-per-cent. rate was imposed is as follows: 1889, £105,973; 1890, £119,465; 1891, £138,852. It may be said, therefore, that importation is now recovering from the sudden check resulting from the increased duty in 1888; but it is still considerably less than it was under the old rates.

WOOLLEN MANUFACTURES.

WEDNESDAY, 3RD AUGUST, 1892.

Mr. G. H. BLACKWELL examined.

1. *The Chairman.*] What are you?—I am chairman of the Kaiapoi Woollen Company.

2. You know the object for which the Committee is sitting: will you kindly give us any information you possess?—Yes; it was in pursuance of that object that I attend to make a suggestion that probably might be entertained by the Committee as to the remission of duty on woollen and worsted machinery, and parts of the same.

3. *Mr. Duncan.*] What amount of duty is now charged?—20 per cent.

4. *The Chairman.*] Would you be good enough to give us your ideas in your own way first?—We are not at all desirous of interfering with the protection already afforded to the iron trade, and are always careful to have made locally any machinery that can be made locally. The local manufacturers, for various reasons, are unable to make the principal parts of our machinery. I suppose it would necessitate a large plant; and then there are so many patents to pay for in connection with some of the machines that I doubt whether, for a very long time, it would be worth their while to entertain a thought of manufacturing in the colony. Agricultural machinery is exempt from duty. If I remember right the ground of the exemption was because of the employment afforded to the people. We think, on similar grounds, industrial machinery ought to be exempt. The late Premier, Sir Harry Atkinson, recognised the justice of our claim, and promised on two occasions to exempt industrial machinery from the operations of the Property-tax Act. Indeed, he went so far as to prepare a Bill embodying that promise, but it unfortunately suffered the fate of "the innocents." Under the new taxation our taxes will be largely increased. There is no increase of taxation on machinery. We have first of all to pay duty on the machinery, then we have to pay a tax on the buildings for the machines, and thirdly we have to pay income-tax on the result of working the machines, which practically nearly doubles the amount we paid under the property-tax. In view of the fact that we employ a large amount of labour, we think the imported machinery should be exempt from duty.

5. *Hon. Sir J. Hall.*] Will you mention how many hands you employ?—We employ six hundred people, and in this way consider that we assist the customs tariff in other directions. The present Premier quite agrees with the justice of our claim. We have a difficulty sometimes in making dividends for shareholders, and these difficulties will be increased by the extra taxation imposed upon us. In the case of industrial companies, we do not think it was the intention of the Government so to do. This is the only alteration we should suggest with regard to the tariff. We would strongly recommend that, in the case of industrial companies, they should be charged one-half of the income-tax.

6. *The Chairman.*] I should like to ask you whether the machinery used by the woollen company you refer to is generally a patent, and of a delicate character?—Yes.

7. Is it generally patent machinery?—Oh, yes; some of the machines have a large number of patents attached to them.

8. It is not possible under any circumstances to manufacture them in this country?—I think it is not likely. The demand for machinery of this nature would not be sufficiently great to warrant the manufacturers setting up a plant and paying patent rights to enable them to make them. I may state that, as far as we possibly can, we get everything made in the colony. Our large engine and several smaller engines were made in Christchurch. We have altogether four engines. The large one would be 180-horse power.

9. What you wish to convey to the Committee is, it is your spinning machinery and not your power that you want to be exempt?—Yes, that is so; the woollen and worsted machinery, and the parts of the same.

10. Have you anything to remark with regard to the way in which your company or other woollen companies have been dealt with by the Government in the matter of the supply of cloth to Volunteers or police?—No.

11. Have you anything to say on the question of olive-oil?—I think not.

12. You are paying a duty on it?—Yes.

13. You do not find that oppressive?—No. We must expect to pay part of the taxation of the country. If the machinery were exempt, it would be the best relief the Government could afford us. I omitted to state that all our boilers were made in Christchurch. We have just completed a small contract with a local maker for steam-ovens. This is simply to confirm my statement that, as far as we can, we get all our machinery made locally.

14. *Hon. Sir J. Hall.*] Who made them?—Mr. Anderson made the boilers, and Mr. Scott made the engines.

15. *The Chairman.*] Do you not get exemption for improvements?—Up to £3,000.

16. What amount of duty do you pay on the machinery that was likely to be required of the character you describe that you desire to be free of duty?—That will vary—scarcely two years alike. In all probability we shall be required to pay during the next twelve months between £200 and £250 duty on machinery and parts of machinery.

17. Is that machinery required for the purpose of perfecting your plant, or for the purpose of repairs?—For both purposes. The parts are required for repairs; the new machinery comes in in order to keep our plant up to date—to perfect the plant.