

11. It is to cheapen the manufacture, you mean?—Yes. Then there is another thing, and that is, we ought to be able to sell the article in England at what it is—that is to say, at the present time, a lot of flax is sent from here to England, and it is not carefully examined before it leaves the colony. The buyers in the Old Country discount the uncertainty in quality. They discount it on the ground that there is a great deal of carelessness in dressing and baling. I think it is imperatively necessary for us to keep up the quality. We should have it inspected generally. For instance, I myself was on the wharf not so long ago. I went down to examine flax I bought before I passed it and dealt with it. The bales were wet. They had no appearance of this from the outside. If we had shipped that flax, in another fortnight's time it would have been perfectly black, and in a month's time it would have been a black powder. That flax was afterwards sent by another party, and it would be perfectly worthless when it reached England.

12. *Mr. Hogg.*] If you had sent it Home you would have given your material a bad name?—Yes, the whole colony's output would get a bad name. When the price is high the buyers will take almost anything, but when the price is low they (the buyers) will reject flax they would have taken when the price was high. The unfortunate miller is at the mercy of the buyers. What a merchant himself calls G.F.A.Q., or inferior, the unfortunate miller has to accept. The merchant has a perfect right to reject flax not being G.F.A.Q.; but the miller may come down and say you passed this before as G.F.A.Q., and you should take it now. I really think this is a very important thing. The Government should step in and examine the flax. We, as millers, are perfectly willing to pay a fee for our own security, to keep up the quality of the flax or have our flax graded for what it is. We want to be protected against anybody who does not try to keep up quality.

13. *The Chairman.*] Are there any other matters, Mr. Gardner, you would like to give evidence to the Committee on?—Yes. I think we might seek another market or two for our flax. We are going to have direct intercourse with New York at a low rate. I think we might get into the Canadian market. The Argentine also is a produce market. I have been sending to Japan. At the present time there is a prospect of opening up trade there. It is rather strange, for Manila is so much nearer, but yet it is a fact.

14. Is there any other matter, Mr. Gardner?—No; nothing specially.

15. *Mr. Meredith.*] I would suggest that as this gentleman has spoken of his attempting to initiate a trade between New Zealand and Japan, he might give to the Committee more information?—I have done it always through merchants here. They have got their correspondents in Japan. Messrs. Murray, Roberts, and Co. and Messrs. Bannatyne and Co. have sold on my account, and the consignments sent point to their being repeated, showing there is a trade. If we sent one consignment, and nothing else came of it, it would be different. Instead of this, we have had repeated orders, proving there is a market.

16. *Mr. Hogg.*] Can you tell us the periods of time between those consignments being sent?—The first consignment was about eight years ago. We are just sending some now. When I sent it before I sent it repeatedly. I must have sent 50 or 60 tons in 10-ton lots.

17. You are aware others have been sending consignments?—I am not aware of any one else sending to Japan.

18. *Mr. Buchanan.*] What has been the rate of royalty paid per ton for green flax, with reasonable expense for carriage from the field to the mill?—Well, we are paying at the present time (although I have my own flax, we are sending out and using neighbours')—and we calculate ours is costing £1 per ton on the dressed flax from the green leaf we buy—that is about 2s. 6d. per ton on the green; but we have had it as low as 1s. per ton. People who own flax vary its price according to the state of the market.

19. What would that mean, approximately, per acre to the grower of the flax?—We have averaged about 32 tons per acre, or about £4 per acre—that is for a fair field of flax.

20. You are quite satisfied that the grower got £4 per acre?—I know that is what we have calculated. We are just purchasing from the Moutoa Estate. We are paying that for a cutting; but we only cut once in three years, or about £1 7s. per acre per year.

21. We may assume the Assets Board were dissatisfied with what they were getting from flax, or they would not cut it down?—There was some time ago such a depreciation in flax that there was very little used. The price now yields an excellent return.

22. Do you think the prices that have been paid for some time for the green flax would encourage owners of flax-country to keep their country in flax, even if they could turn it to other purposes?—Of course, there are places that grow flax—patches, and so forth—that could be made use of for other purposes, but most of the land that grows flax is useful for very little besides.

22A. Generally speaking, do you think the prices that have been paid lately would be sufficient to encourage people to keep their land in flax?—I think that land which is suitable for flax, in most cases, would hardly pay to be used for other purposes. The flax-land is wet generally, and is subject more or less to floods. And, speaking especially of the Moutoa Estate, I know this land which my sons were creating some disturbance about. I know it would never have paid to clear that land, and they are getting a far better rent now than for any other purpose.

23. Have you ever noticed how you could follow with the eye the course of a drain as soon as it is dry through the land?—Yes. There is another peculiarity. You must have a good damp sub-soil. We have our drains running about 3 ft. deep. We have a continuous current of water underneath when the upper part of the soil is dry, and that is the part of the land we get the best flax off.

24. How much reduction in the cost of manufacturing flax per ton would be required to enable the owners of flax-growing land to keep their land under flax? The late depreciation in flax, I may take it, pretty nearly compelled every manufacturer to shut down. How much per ton would the cost of manufacturing have to be cheapened on the one hand, or how much per ton more would be required for the manufacturer to be encouraged to take the flax?—Take the royalty at 1s. 6d., and