

14,405 boxes: of which the following were pure stearine—1900, 8,775 boxes; 1901, 4,538 boxes; 1902, 3,806 boxes; 1903, 5,431 boxes. The four New Zealand companies have plants capable of turning out about 160,000 boxes per year, working ordinary time. The paraffin-wax imported by the New Zealand Candle Company and the amount of duty paid on the same during the five years ended the 30th June were as follows: 1900—167 tons; duty at 1½d., £2,335; 1901—109 tons; duty at ¾d., £764; 1902—121 tons; duty at ¾d., £846; 1903—90 tons; duty at ¾d., £634; 1904—102 tons; duty at ¾d., £704. There was in stock at this date 47 tons, and the consumption for 1904 may be put down at 70 tons. I might say that the laid-down cost of duty-paid American candles just now is less than the laid-down cost of paraffin-wax. The margin previously allowed the candle companies to exist, but when the duty was reduced in 1900 the unfortunate candle companies were left with a margin of ¼d. Since then they have been going from bad to worse, and I can assure you that the profit made by the local candle company is nil, while they have spent £10,000 upon their works. Fifty-nine pounds was the amount of profit earned for the year ending the 30th June last, but that does not allow anything for depreciation in the plant. That is practically the position of the candle companies to-day, and I am only expressing, as you will see from the telegrams I have produced, the opinions of the other candle companies of the colony.

2. *Mr. Laurensen.*] There appears from your figures to be a heavy falling-off in the quantities of candles manufactured by the local companies, and a corresponding increase in the imported candles; but is not that large falling-off due to the fact that we reduced the duty on kerosene?—I think you will find that the consumption in New Zealand has been steadily decreasing.

3. In 1900 there were imported 1,609,121 lb., and the output of the colonial candles was 3,317,409 lb.?—Yes.

4. There is an increase in 1901 and 1902, and in 1903 there were imported 3,042,053 lb.?—Yes. I think I noticed the other day two shipments of candles, one by the “Burgomeister Hachmann,” and the other before that by the “Indian Monarch.” Together there were 170 tons of American candles on board.

5. Does the preferential tariff help to protect you against America? No; it seems to have increased the difficulties. America receives competition from Burmah wax. Considerable quantities come to New Zealand and Australia, and lately they have been turning out candles in Burmah, and that is very strong competition. In the face of this competition the Americans have gone further since the alteration in the preferential tariff. Burmah candles come in at 1d. per pound duty, and American at 1½d. I think the increase in American imports is on account of considerable quantities of Burmah wax being sold in New Zealand.

6. They are actually shipping at a loss, then, so as to drive Burmah out?—Yes.

7. Do you ask for an increased duty on imported candles, or a remission of the duty on wax?—If the duty on wax is ¾d. we would like the duty increased on candles and the wax left as it is. There would be a margin, if candles were made 1½d., of ¾d. I think that is a very modest request. Some of the candle companies want 1d. increase, but I think ¾d. would satisfy most manufacturers.

8. Do you find your output from the local factories of the finer grades of candles decreasing, or is the decrease on the common kind of candles?—We sell the better class of candles here. This will give you some idea of what we turn out—it is a letter from the Consolidated Goldfields (Limited): “Reefton, 27th November, 1903.—*Re ‘Apollo’ candles:* During the last three or four years we have used five thousand boxes of the ‘Apollo’ candles, manufactured by the New Zealand Candle Company, and it affords me much pleasure to state they have given satisfaction. As a mining candle they are very regular and uniform in regard to the length of time they last; they give a good light, and on the whole answer the purpose very well.—CONSOLIDATED GOLDFIELDS OF NEW ZEALAND (LIMITED), (E. W. SPENCER, Engineer).” Our great difficulty is to get the working-classes to consume colonial-made candles, because it has been breathed into the ear from mother to daughter that they should use none other than Price’s London sperm. We import, I should say, possibly close upon six thousand boxes of candles from London annually.

9. Do you find the falling-off in the common sort of candles or the better sorts?—The common sort. But in Dunedin they use a lower melting-point than they do here, on account of the colder climate. In Auckland, again, they sell a large quantity of high-melting-point candles. They sell considerable quantities to the mining companies; but they are beginning to be interfered with now by the large quantity of Rangoon candles which are coming in, and which are a very superior candle, far better than the American candle.

10. *Hon. Sir J. G. Ward.*] Who are the class of people that are importing such large quantities of candles as shown by you in the increased imports from America up to £14,482 in 1903, as against £1,312 in 1902? Is it the ordinary importers?—No; it is the Vacuum Oil Company—an American Company. Their head office is in Wellington.

11. Do they import for the whole of New Zealand?—Yes.

12. Do you know whether they are allowing a larger margin to those to whom they sell—that is, the storekeepers, for distribution—than was allowed originally by the candle company?—Yes; I think the price is about 5½d. I do not know whether that is net cash, but it is impossible for us to sell our best candles for anything like that price. They have only one quality.

13. What quality would you call that in comparison with your better class?—I should say, about 128° melting-point. It is a pure paraffin candle.

14. Can you tell me whether, as the outcome of the removal of the duty on kerosene, the consumption of kerosene has increased?—Yes, it has increased enormously; but I think the principal cause for the great increase is the large number of heaters which are used during the winter months, and the quantity of oil that is used for cooking-stoves during summer.