

sibly be made. When the people of New Zealand want an all-wool blanket they get a far better blanket here than they can get at Home, and they pay a very reasonable price for it too"—That is in my examination before the Tariff Commission. I may have said that.

97. Has an increased importation of these blankets gone on?—I think the colony has been supplying a fairly good demand with its blankets. Of course, you will never be able to supply all the common blankets required.

98. In regard to the question of the tariff, it was proposed that 30 per cent. duty should be put on shoddy goods and 1s. per garment on clothing?—I think there should be 50 per cent. on shoddy, and that it should be stamped so that people would be perfectly aware of what they were buying.

99. Coming to the question of short lengths, I know that the Tariff Commission recommended a special impost, but the House did not adopt the proposal that an increased tariff should be put on short lengths coming from Home?—I remember giving evidence about that once, and I understood from Sir Joseph Ward that he would favourably consider the matter.

100. Has the duty on olive-oil increased the cultivation of olives in the country?—No; I do not think anybody is doing it.

101. How many hands do you employ?—We employ now 320.

102. What is your annual output?—That I cannot tell you exactly.

103. Can you tell me the amount of wages you pay?—It would run between £22,000 and £25,000 a year.

104. At one time you thought 20 per cent. was enough protection on the ordinary run of woollen goods?—I think so still.

105. Are you holding your own except in the matter of short lengths and shoddy goods?—Yes.

106. *Hon. Sir J. G. Ward.*] The variation owing to the extra cost of living was referred to in a question put to you, and I understood you to say that it made a difference of from 12½ to 15 per cent.?—It is not due to the cost of living, but to the various decisions given by the Arbitration Court—the shortened hours of labour and increased pay.

107. Has it affected your financial results during the last few years?—Our profits have been declining. For some half-years we have only paid at the rate of 5 per cent., and it has been with great difficulty that we have paid 7 per cent.

108. On the same capital?—No; the capital is increasing all the time. We started here thirty years ago on a capital of about £50,000, and it is now about £80,000.

109. When have the increases taken place from the £50,000?—When we had to increase our plant and buildings. And we bought another mill at Ashburton, and increased our plant in the "nineties," which meant an increase of our capital then.

110. If you are paying 5 per cent. on £80,000 a year, the net earnings would be greater than if you paid 7 per cent. on the original capital?—On our capital in 1886 we were able to make 10 per cent. for a number of years running.

111. And now you are making an average of 5 per cent.?—No; it is running from 5 to 7 per cent., but it is difficult to make 7 per cent. sometimes.

112. I assume that the fluctuations in the price of wool make a great deal of difference to you?—Yes. One year we bought a large quantity of wool and the next month it dropped 45 per cent. Wool that we gave 1s. 2d. a pound for dropped to 9d.

113. Do you show all your bills under discount in your balance-sheets?—We show them as a contingent liability.

114. Are your bills shown on the debit or credit side of your balance-sheets, or as a contingent liability in the footnote only?—In the footnote only.

115. In the fluctuation in the results would the variation in the cost of discounting your bills materially affect your profits?—We get very few bills indeed.

116. Do you export much of your goods from the colony?—Very little. We export to Sydney, Queensland, and Perth, but the trade has gone off since the duty has gone up.

117. The alterations in the tariff are the chief cause of that?—Partly; but since the Commonwealth was established the States have been exchanging their products. At one time if New South Wales sent goods to Victoria they were taxed, but since the inauguration of the Commonwealth they have had a freedom of trade which they did not have before.

118. If it were possible for you to get rid of a larger surplus within the Commonwealth it would help you a good deal?—Yes; but the Commonwealth is not doing well. The States are suffering from the low price of their exports. The idea I had when the Federation Commission was set up was that it would improve our business, and that we should get an expanded market when we had freedom of trade.

119. What do you suggest as being necessary to give the woollen industry a better position than it has now?—There are three points I had in view: an increase of duty on short lengths of tweed—say, anything under 10 yards—in the same way that you have 40 per cent. duty on single suits; a heavy duty on shoddy, which should also be stamped; and the removal of the 6d. duty on olive-oil.

120. You are really striving to prevent all bad woollen articles coming into the colony?—Yes. "Woollens" is really the term used in Yorkshire for shoddy material or mixed goods. "All new wool" is the proper term for the best goods.

121. *Mr. Laurensen.*] You say that the cost of wages or labour has been increased owing to the action of the Arbitration Court and its awards by from 10 to 15 per cent.?—Per man—I think I said that.

122. Is it as much as that?—Yes; and on coal alone there has been an increase of from 2s. to 2s. 3d. a ton.

123. Taking one of the official returns I find that the total output of the mills in 1900 was £359,382,