

213. With regard to the manufacture of carpets and mats, do you know that a firm was established in Christchurch to make these, and lost money by it?—Before I went to Christchurch I believe there was a carpet industry started there, but it was not a success. The factory is now, I believe, used for a different purpose.

214. *The Chairman.*] Have you anything to add to the evidence you have already given?—I think I could make the question of the importation of cut lengths of tweeds a little clearer to the Committee. What Mr. Morrison was alluding to was this: Home travellers go round and sell suit-lengths, which are exclusively reserved to those people who purchase them—that is, the travellers undertake not to sell another suit-length of a particular pattern in the same town. That is what Mr. Morrison referred to when he said it would never pay to make 7 yards or 10 yards only of any particular kind of tweed. If 200 yards of a pattern were being made and the maker was under a covenant to sell only 7 yards or 10 yards, he would have the balance thrown on his hands; whereas the Home manufacturer has the world for his market—he can confine 10 yards of his tweed of a particular pattern to Australia, 10 yards to Canada, and so on, while we should have to make the total quantity, and afterwards be landed with the balance of the 200 yards.

215. Do you not think that an increased duty of 40 per cent. on cut lengths would induce people to get their suits made up at Home?—I think not; the prices would be prohibitive, and people would not like to run the chance of getting properly fitted, and everything else.

216. *Mr. Hanan.*] Is there much trade done in imported suits?—Yes. The tailors' shops are full of small lengths.

217. *The Chairman.*] Could not some system be established by which you could sell, say, 10 yards of a pattern to Invercargill, 10 yards to Christchurch, 10 yards to Wellington, 10 yards to Auckland, and so on?—No; because you might not sell your 10 yards in each place. The field is too small for such a business.

WILLIAM JOHNSON PARKER examined. (No. 3.)

218. *The Chairman.*] You are?—Managing director of the Onehunga Woollen Company, Auckland.

219. Would you like to make a statement?—I would like to make just a very short statement, to this effect: Our mill is not so large as Mr. Morrison's mill at Mosgiel, but we run it very much on the same lines. The causes which would result in depression in the case of his mill would be somewhat similar in ours. When the present proprietors took up the Onehunga mill it was a defunct concern belonging to the Northern Woollen Company.

220. Was Mr. Park manager then?—We appointed Mr. James Park our manager. He ran it very successfully for a number of years—something like twelve years—and our dividends were reasonably good. A new company took over the mill, and we commissioned Mr. James Park to go Home and procure new machinery to replace anything that was obsolete. After we got this machinery up trade began to shrink until during the last couple of years we made no money at all. We are not working under an award of the Court, but still we are affected by the labour laws, and it costs us now more to run the mill than we can really make out of the sale of our goods. A very large proportion of our goods are used by the working-classes, and I am of opinion that if we cannot compete in the production of all-woollen goods with the imported goods we ought to shut up our factories; but "shoddy material" is not within 70 per cent. of the quality of our woollen goods, while the labour at Home is something like 50 or 60 per cent. lower than it is in this colony for the same class of work. Though we have good machinery there is no profit, and we think the time has arrived to inquire into the cause of the depression in the industry. We have a sufficient output to keep the mill employed, but the profits are so low that it is questionable whether it is better to run the mill or to close it down. Of course, wool is dearer, and nearly everything used in connection with the mill has gone up in price, while the keen competition amongst the various mills of the colony has a tendency to still further reduce profits, and it seems to me that if there is not an improvement in the trade—although some of the mills have been paying dividends of some 7 to 10 per cent.—the time is not far distant when they will be unable to pay anything at all. So far as the principal owners of our mill are concerned, they are not dependent on the woollen industry; but if people cannot make a fair profit on the capital they have invested the woollen-manufacturing business will get into a very bad state. It is the Government's desire to put the people on the land, but we cannot manufacture farmers, and we know that there is only a small number of the people who will take to farming; therefore we must have industries in order that the great mass of the population may find employment.

221. I have only a few questions to put to you, because Mr. Witheford, who has taken great interest in this matter and has gathered a large amount of information, has informed me of many particulars concerning the industry in the northern part of the colony. Taking woollen goods generally, would you like to see an increased duty put on the better-class tweeds, flannels, and blankets?—I think if we cannot manufacture pure-wool goods at a profit to compete with the imported article we ought to shut down.

222. Are you making anything now out of the manufacture of good woollen goods?—No.

223. I suppose you concur with what has been said by other witnesses with regard to putting a heavy duty on shoddy goods?—Yes. We could not manufacture goods like the sample shown by Mr. Hercus, which contains so much cotton and shoddy. In fact, there is no wool in it at all; it is an inferior article made up of stuff that has been used three or four times.

224. *Mr. Hanan.*] You say that your mill is not paying?—That is so.

225. How can you account for other mills in the colony paying dividends?—I did actually hear that one company was paying dividends out of capital. I am a candid man, and say at once that if the mill does not pay us we shall shut down. But your question is a very delicate one to ask some people. I can answer it because our shares are not on the market.