

of bringing that about apart from the treaty with Australia?—The only way I see is to abolish the duty altogether; but I do not think giving a preference to Australian sugar would make much difference.

12. Supposing you abolish the duty, whether in favour of Australia or not, do you think that would result in a gain to the consumer?—I am very doubtful whether it would, because from all I can hear the supply of sugar is practically a monopoly.

13. There would be no competition practically?—I do not think so.

14. Having regard to the Auckland company and supposing we allowed this amendment in the tariff under this reciprocal treaty, would that make any difference to the consumer?—There is no law affecting the refining of sugar in New Zealand. The position is that the Auckland company's premises are a bonded warehouse and Fiji raw sugar is bonded there, and the Customs revise the whole thing. It is cleared from the refinery at  $\frac{1}{2}$ d. per pound, which is the duty on the raw sugar that is imported.

15. *Mr. Bolland.*] If the agreement were accepted, that  $\frac{1}{2}$ d. per pound would have to be taken off?—Only off sugar the produce of Australia. If the agreement is ratified by Parliament, Australian sugar will come into New Zealand free. Sugar from other countries would still be liable to  $\frac{1}{2}$ d. per pound.

16. Then the sugar-refinery at Auckland would still require to pay the  $\frac{1}{2}$ d. per pound?—Yes. If raw sugar is imported from Queensland and refined in New Zealand there would be no duty on it according to the agreement.

17. That would not be fair to Fiji, which is a British colony?—It would still probably keep the refinery in New Zealand.

18. If that  $\frac{1}{2}$ d. per pound is retained on refined sugar, do you not think it would have the effect of shutting up the works in Auckland?—You mean that if Australian sugar comes in free it would have the effect of shutting up the New Zealand refinery?

19. Yes?—If the Australian refined sugar comes in free, then I think the probable effect will be the closing of the Auckland refinery.

20. Therefore closing up a large industry?—Yes.

21. I believe there are a thousand people employed there, including their families. Now, with regard to candles: It has been stated that the effect of the agreement will be a serious injury to this industry?—I am afraid I am not a very competent judge as to what the effect would be on the local industry.

22. I think you said it would benefit the local candle-makers?—Yes, the extra 1d. would be a further protection as against candles from the United Kingdom, Bengal, and Burmah.

23. *Mr. Aitken.*] Were the figures you quoted with regard to the candles imported into New Zealand during 1905 of Australian manufacture?—No, only a very small proportion.

24. From my knowledge of the trade I think it would be found that there are practically no Australian candles coming into this market?—Only to the value of £478 during 1905.

25. That was all of Australian manufacture?—Yes.

26. Burmah is the place from which most of the outside candles come?—No, the United Kingdom sent 34,000 pounds' worth.

27. But this is as against the cheap candle made in the colony. Burmah candles have gone up and largely increased within the last few years?—Yes.

28. So that, by this reciprocal tariff, in the item of candles you would be favouring one part of the British dominions as against another part of the British dominions: Burmah and India would be legislated against in favour of Australia?—Yes.

29. Now, supposing the  $\frac{1}{2}$ d. a pound on sugar was taken off in Australia and New Zealand—because it is practically the one company—the remission would not go into the pockets of the consumer?—That is assuming that the industry is practically in the hands of one company.

30. Supposing you took off the  $\frac{1}{2}$ d. per pound, do you think that—seeing that everybody recognises that we are dealing with practically one company, which controls the sugar industry of this colony and Australia—outside sugar would be able to compete with the  $\frac{1}{2}$ d. against it and reduce the price to the consumer?—The duty in Australia is 6d. per cwt—the 100 lb. You are supposing it to be reduced by  $\frac{1}{2}$ d., which would make it £1 6s. 8d. per ton. I think probably Java sugar would compete very strongly with Queensland sugar in Australia.

31. Not in New Zealand? The condition is not altered. You remove the  $\frac{1}{2}$ d. on Australian sugar coming in here, but keep up the price against all outsiders?—I think the conditions would remain much the same as they are now.

32. *Mr. Hardy.*] If we shut up the sugar-works in Auckland shall we not release a lot of labour employed there?—Yes, I think so.

33. Do you know whether other New Zealand companies have interests in Fiji which might be affected if the sugar was "shot" into New Zealand?—No. I understood it was the Colonial Sugar Company which had the sugar-production in Fiji.

34. Now, with regard to candles: Do you know anything about cheap candles being manufactured in Australia?—No.

35. Do you know that at the present time candles are being imported largely from America, Burmah, and England?—The 1905 statistics do not show much. The figures are—Australia, £478; United Kingdom, £34,907; Bengal and Burmah, £6,257; other countries, £44.

36. Do you know anything about the duty on paraffin-wax in Australia?—In Australia the duty on paraffin-wax is  $\frac{1}{2}$ d. per pound.

37. And in New Zealand?—Three farthings a pound, I think.

38. Are you prepared to recommend that that  $\frac{3}{4}$ d. should be remitted with a view to putting our candle industry upon a fair footing?—That is a matter of policy.