

1911.
NEW ZEALAND.

ENGINEERING AND KINDRED INDUSTRIES

(REPORT OF MR. M. P. CAMERON ON THE CONDITION OF THE).

Laid on the Table by Leave of the House.

REPORT.

SIR,—

H.M. Customs, Wellington, 31st July, 1911.

According to your memo. of the 9th December last, on record C. 1910/1921, in which the Minister requested me to make inquiries in regard to the condition of the iron, engineering, and kindred industries, I have the honour to report and advise as follows:—

I visited the following centres: Bluff, Invercargill, Gore, Dunedin, Christchurch, Greymouth, Westport, Nelson, Wellington, Wanganui, Napier, Auckland, Thames, Hawera, New Plymouth, and Palmerston North.

Instead of meeting the engineers in societies or bodies to discuss matters, I adopted the more thorough method of interviewing each firm separately, and by so doing I have secured confidential information and statistics regarding the engineering and iron trade generally which I could not otherwise have procured. Furthermore, the evidence is of great value inasmuch as it is authenticated by the signature of the person or persons giving such evidence. Much of it, however, discloses the private affairs of the different firms, and naturally they have made the request that such information, or at least their names, shall be considered as private and confidential, and not to be made public. With this promise having been given, I have the honour to hand you herewith true copies of all evidence taken by me.

The evidence, you will observe, goes to show that the older-established engineering-works are suffering a decided depression in trade, brought about in several ways. For instance, eight or ten years ago the southern foundries especially were exceedingly busy with orders for dredging machinery. They also exported considerable quantities to Australia. In three years dredging plant was exported to Australia to the value of £25,234. This, however, lasted only a few years, as New South Wales had in the meantime become part of the Commonwealth, and, having built up foundries under a protectionist tariff of 25 per cent., these exports soon ceased, and in the three years 1908–10 they fell to £5,969. At the present moment the trade is reversed: the Commonwealth is now exporting into New Zealand dredging plant, buckets, manganese pins, and some other dredging material which carries only a 5-per-cent. duty in New Zealand. With some reason, therefore, and in self-protection, the engineers ask that this duty should be increased to 30 per cent. and 15 per cent. The dredging boom in New Zealand, from 1900 to 1906, created such a demand for machinery that many large engineering firms installed heavy and expensive plants, which are now lying completely idle, and firms who then employed as many as two hundred and fifty hands have now only fifty. This state of affairs is brought about by the ending of the boom and the stoppage of exports to Australia, while no new business has arisen to take their place.

As an instance of how a moderate protection will assist Dominion manufacturers while it does not increase abnormally the cost to the consumer, tenders for twelve cyanide-tanks were called for on the West Coast, and the order was about to be cabled for when it was discovered that the duty on this particular article was 20 per cent. instead of 5 per cent. (as the company understood), and so the order, amounting to some £1,300, was given to the local engineering firm, which just enabled them to keep their hands in employment, as business was becoming very quiet.

The making of steam-engines and boilers is an industry which is fast passing out, a fact contributing in no small degree to the depression. These are being superseded by suction-gas plants, oil and gas engines, and electricity; but, so far as the stationary oil and gas engines were concerned, most of those imported are of British make, and therefore free by tariff, consequently the New Zealand engineers have not been able to manufacture to compete; but they have manufactured a large number of first-class oil-engines of the marine type, being enabled to do this because the imported engines are mostly American and carry a 20-per-cent. preferential