

many patents have been taken out for them by New-Zealanders. Complaints, however, have been made to me that these patents have been sent abroad and slightly altered, and are now being imported into the country against the original inventor duty-free (British) and 10 per cent. (foreign), and at a price sufficiently low to undersell the local article on account of difference in wages and labour conditions. To protect themselves against this condition of things they ask for 30 per cent., and 15 per cent. preferential.

Dairying steam-engines: The imports of these fell from £7,444 in 1901-5 (five years) to £2,378 in 1906-10 (five years), while dairying boilers fell from an average over five years of £2,511 annually to £256 in 1910. This is another indication that the steam engine and boiler are fast passing out, and New Zealand manufacturers are suffering accordingly.

There is one important industry I would specially mention as having most successfully established itself under the 20-per-cent. tariff, and that is the cooking-range-making industry, which employs a large number of hands. By specializing in this particular article and making a study of local requirements, the New Zealand makers have completely stopped the importation of cooking-ranges (with the exception of American stoves). As an example, imported ranges that twenty to twenty-five years ago were sold at £6 10s. are to-day sold of New Zealand make at £4 10s. Local competition has reduced the price, and the manufacturers in this industry are so satisfied that they have completely excluded the imported article that they do not ask for further increase in duty.

Malleable steel and crucible castings is an industry that is gaining ground in New Zealand. In one of the Dunedin foundries it is at present almost its sole support, the ordinary engineering trade having so fallen off that practically £11,000 worth of machinery in this particular foundry is at present lying idle. I consider that the industry above mentioned should have further protection, for the reason that it has practically no advantage in the matter of freight charges, as the weight of the raw material and the manufactured article is about equal. British malleable castings are landed at £1 17s. 4d. per hundredweight, American £1 12s. 8d., while the New Zealand price is £2 3s. If the manufacturers contend, 30 per cent. and 15 per cent. preferential on foreign was imposed, it would enable them to increase their output to such an extent that they would soon succeed in so reducing the price that it would keep the imported article out.

Steamship-building: Some years ago quite a number of small steamers, not capable of steaming out from the Old Country, were built at different ports in New Zealand, but the improvement in bar harbours has enabled steamers of greater draught and larger tonnage to negotiate them, and, as these larger steamers can with safety steam out from Home, the necessity for the smaller craft has nearly disappeared. Lately, however, especially in Dunedin, the industry in iron-ship building has been revived to a considerable extent, and for larger tonnage steamers than hitherto. One firm alone, having just finished two steel ferry steamers, are now engaged on two more, one of which is a twin-screw steamer for the New Zealand Government. The engines for these steamers are designed and built on the premises by the company, and the hulls are designed by a practical naval architect lately from Home, who, if sufficient work offers, intends remaining in New Zealand. The total of these tenders, including a tug they had tendered for, amounted to £61,000, and the wages represent about £35,000 of the total, so that it is an industry employing a large amount of labour, and one which should in every way be encouraged, at least on steamers up to 500 tons (to the extent of 30 per cent. and 15 per cent. preferential). The preferential, they say, should even be higher, because quite a number of ships' hulls are built in Holland, engined in Britain, and sent out as British-built steamers. At present all steamers are free from duty, including their furnishings.

The shipbuilding industry is one of great importance to New Zealand; our neighbour the Commonwealth has recognized her responsibility in equipping a shipbuilding yard and dock, even to the building of her own navy; and no doubt this enterprise has been approached from a twofold standpoint—(1) to develop her local industry and to assist in maintaining her young population; (2) to be prepared for eventualities which may in the near future arise on account of possible partnership arrangements with the Mother-country in naval responsibilities. My own opinion is that the shipbuilding industry is a large link in the industrial chain of a self-contained and isolated country such as our Dominion is, and to encourage this industry in its infancy, as is suggested, by means of the tariff, is, I consider, a reasonable proposition.

I was much impressed with the progress that has of late years taken place in the manufacturing of locomotives, and I feel it is my duty to state that no better or more reliable workmanship could possibly be put into the locomotives I saw in the course of manufacture, and also in their completed state, and the Government and the country are to be congratulated on recognizing this industry and in supporting it to the extent they have done. There is no reason why every engine required for our railways should not be manufactured within the Dominion. This industry forms another very important item in building up a self-reliant country. The Government is practically the only user of locomotives in New Zealand, and they have evidently recognized the quality of these New-Zealand-made engines, and if they continue to place their orders with New Zealand manufacturers as they are now doing (besides those they manufacture in their own workshops), I do not consider there is any necessity for a further duty being imposed upon them.

Several engineering firms have informed me that, if a reasonable duty was put upon motor-cars as a whole, they would start the manufacturing of them in New Zealand. At present the position is that the chassis, which includes the undercarriage, with engine, &c., complete, is free from duty, while the body only is dutiable at 20 per cent. This was done to assist, if possible, carriage-builders of the Dominion, but it was not taken advantage of, and I have evidence that not a single body has been built in New Zealand for an imported chassis. It would therefore