

Evidence also goes to show that as the Government have given facilities for increasing wages under compulsory employment at high wages to incapable workmen, which must of necessity increase the cost of manufacturing, this is making it daily more difficult to compete with the imported article. It is only therefore reasonable to suppose that the Government will endeavour to increase the tariff sufficiently to meet this increase in cost, so as to enable the manufacturer to contend with the competition of imported articles manufactured under less favourable circumstances so far as wages and other conditions are concerned. If this is not done, surely there will soon be little employment offering for the very men whose position the Government have sought to improve by the compulsory payment of higher wages and improved conditions.

In conclusion, so far as my very careful inquiry and observations have led me, I am persuaded that the real cause of the stagnation in the engineering and iron industries is to be found in the fact that the extra requirements of machinery and implements necessitated by the growth and expansion of this young country have been supplied by imports from abroad, instead of by the established manufacturing industries within the Dominion. As a remedy for this, and without, as I have pointed out, unduly increasing the cost to the consumer, I advise that the tariff should be so amended by the imposition of the duties I have proposed on the several industries I have touched upon, and this should be as speedily brought about as possible, in the interests of not only the engineering and iron industries of New Zealand, but of the Dominion as a whole.

I have, &c.,

MAURICE P. CAMERON,

Hardware Expert.

The Secretary of Customs, Wellington.

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