

the truth of the matter I wrote to Mr. Coghlan. He was Government Statistician for New South Wales, and was afterwards appointed Agent-General in London. I desire to give in evidence my letter to Mr. Coghlan and Mr. Coghlan's letter in reply to me:—

“Legislative Council, Wellington, 6th October, 1908.

“T. A. Coghlan, Esq., Agent-General, N.S.W., London.

“DEAR SIR,—In the course of the Address-in-Reply debate in the Legislative Council I challenged some figures relative to the rise in the cost of living alleged to have been compiled by you when Chief Statistician of New South Wales. Under separate cover I am sending you a marked copy of *Hansard* containing the reference. I would deem it a great favour if you would inform me in which volume, if any, or whether on any occasion, you authorized the figures attributed to you. My only reason for troubling you is to get at the truth. This simple paragraph has been quoted by all sorts and conditions of men—from Minister of the Crown to soap-box orator. Our great difficulty in New Zealand is the absence of reliable statistics. This is being slowly remedied. You will understand that such a statement as has been attributed to you carries great weight because of your standing and repute as a statistician. I will therefore be glad to receive your reply. Thanking you in anticipation,—I am, faithfully yours,

“J. T. PAUL.”

“123 and 125, Cannon Street, London E.C., 25th February, 1909.

“The Hon. J. T. Paul, M.L.C., Dunedin.

“DEAR SIR,—I duly received your letter of the 6th October asking me whether I had affirmed that ‘wages had risen $8\frac{1}{2}$ per cent. in New Zealand during the last fifteen years, and that in the large centres during that time meat had advanced 100 per cent., house-rent 30 per cent. to 50 per cent., and others items from 10 per cent. to 50 per cent.’

“I beg to say that as regards the first portion of this statement you will find on page 509 of my ‘Statistical Account of Australia and New Zealand, 1903–4,’ that the average weekly earnings of employees (male) in the various factories and works of the colony had increased from 29s. to 31s. 5d.—equivalent to $8\frac{1}{2}$ per cent. during the ten years elapsing from 1891 to 1901. In giving these figures, however, I pointed out that the absence of a distinction in the statistics between adult and juvenile workers renders any statement based entirely upon them inconclusive. For a comparison between the rates of wages to be perfectly fair it would be necessary that the proportion of each class of workers (adult and juvenile) should be the same in the cases compared. As a matter of fact there was an increase in the proportion of boy workers between 1891 and 1901, consequently it would be correct to say that the wages of male workers in factories had increased on an average $8\frac{1}{2}$ per cent., but it is probable the increase in the wages of adult workers was higher than would be represented by this percentage.

“In regard to the cost of living, in my book I say that in 1901–3 there was a considerable increase in the cost of the principal articles of consumption, and prices ruled higher than in any period since 1865; but if other references be carefully read it will be seen that if the prices in 1891–95 be represented by 882, the prices in 1903 would be represented by 1,000—that is to say, during the interval there was an advance of a little more than 21·5 per cent. in the cost of living. I think it would be fairer, however, to take my general remarks in preference to the specific instances I have here given. On page 532 of the ‘Australia and New Zealand’ for 1903–4 I stated: ‘The people of New Zealand are rapidly paying off their private indebtedness to the British money-lender, and as the process of repayment has been accompanied by an increase in the private wealth of the colony and in the output of its industries, it must be accepted as a satisfactory evidence of progress.’ After my arrival in London I spoke at a meeting of the Royal Colonial Institute on the 9th May, 1905, on a paper read by Lord Ranfurly on ‘New Zealand and Its Dependencies,’ and remarked—on the subject of the withdrawal of capital from New Zealand—that ‘During the whole period over which the process of withdrawal has extended, the industries, the wealth, and the distribution of property have undergone rapid expansion.

There was general progress in all industries, and employment in factories was more than doubled—viz., from 26,000 to 53,000 hands—and it is satisfactory to be able to record that coincident with so large an increase the earnings of male employees advanced from £75 to £82 per annum.’ And on the same occasion I said: ‘The income of the people from all sources has now reached to 39 millions, or £47 10s. per inhabitant, which last sum leaves so substantial a surplus after the cost of living has been defrayed that the colony has been able to put aside some 10 or 12 per cent. of its income to replace lost capital, and to start new undertakings.’

“I may say I ought to have attended to your letter before, but I determined to search through everything that I had said about New Zealand in order to be quite sure whether or not there was the slightest foundation for the statements which had been attributed to me.—Yours faithfully,

“T. A. COGHLAN.”

I would like to say this in regard to the rise in the cost of living: I do not think there is any question that it has increased, and also that the standard of living has increased, but that has been a general matter, not a matter confined to the workers alone. I think the increase in the standard of luxury enjoyed by what we understand as the rich class is greater than any improvement the workers have had in their standard of living. I think that is well illustrated in some of the older cities in the Old Country. You see where the rich manufacturing class lived in the earlier days of the city, and how they have gone gradually out to the better residential areas.

14. *Mr. Macdonald.*] You think that the relative difference is just as great as ever?—Yes.

15. *Mr. Robertson.*] You think greater?—Yes. The rich used not to have motor-cars for pleasure.

16. Do you think that the workers' share in the production of the country is greater than it was before?—I should say that his share of the production is greater.