

J. W. G. BRODIE, General Manager, British Trading Company (Limited), examined.
(No. 3.)

I would like to divide my remarks under two headings—viz.: (1) Tobacco-growing and the encouragement of tobacco-growing, and (2) the encouragement of manufacture. With regard to tobacco-growing, the experience in Australia has been that it offers possibilities for the employment of returned soldiers. It is a very lucrative occupation. The point I desire to make, however, is that in tobacco-growing there is an excellent opportunity for the Nelson people who are orchardists, for while their orchards are maturing they might be growing tobacco. Tobacco-growing requires certain plant, mainly curing-barns, and it would be possible, with combination, for one barn to be used by the people of a district. The only experience in New Zealand of tobacco-growing on a large scale has been in Hawke's Bay, where the people have been working on wrong lines. They have been growing tobacco in unsuitable country; it is too close to the sea, and their curing methods have not been satisfactory; consequently, they have had a large amount of trouble with mould getting into the stem and causing trouble at a later date. There are about one million pounds weight of tobacco grown in Australia every year. There is an expert there who is at the service of the growers, and the grade of the leaf has been improved enormously. It is almost as fine now as fine Virginia, except that it has a local flavour which will probably never be eliminated. I suggest to the Committee that the Government should consider the question of fostering the industry by making grants to districts for the establishment of curing-barns, and, if possible, obtaining an expert. It is useless to grow tobacco on good land. It does not want good land. The land they are using in Hawke's Bay is worth £35 or £40 an acre, and the tobacco is rank. Tobacco wants a light, sandy soil. The soil about Motueka is suitable, and the growth of tobacco there is likely to be successful. You must not have frost when the plants are showing above the ground. An average return is 1,000 lb. off an acre. The leaf in Hawke's Bay is so inferior it is not worth 2s. per pound. In Australia they get as high as 3s. per pound for some of the leaf. In Australia the Agricultural Department provides the growers with seed, and keeps an expert, who is continually going round the country during the season advising growers and assisting them in every way. Their main object all the time is to better the quality of the article. The fault with the Hawke's Bay article is that it is grown too close to the sea. It is grown in a too-saline atmosphere and burns badly. Then as to my No. 2 heading: We have established a factory here, and the Government attitude towards local factories seems to be hardly what it should be. For instance, they have a tariff of 1s. 6d. per pound on machine-made cigarettes, which tariff has yielded no revenue since the date it was inaugurated in or about 1908. If you want to encourage local manufacture that duty should be eliminated, because hand-made cigarettes are not a commercial proposition. They cannot be made in millions by hand. If the duty was eliminated the benefit would go to the public, not to the manufacturer. It would only benefit the manufacturer in the greater sale he would have. I suggest that the question of eliminating the duty should be pressed on the Government. It has yielded no revenue, and if we are going to employ labour and give preference to returned soldiers a move should be made to remove that duty. The Australian Government has made a point of encouraging local tobacco and cigarette manufacture.

1. *To Mr. Luke.*] The Nelson tobacco land is not so near the sea as the Hawke's Bay land is. The Nelson people grow the tobacco behind the first range of hills. The mould I referred to is due to bad curing; they cured the leaf, but not the stem. Different grades of tobacco are handled in different ways. Sometimes the tobacco is sun-dried, and sometimes it is dried in barns. In Virginia the heat is nearly all artificial. If the Government here took up the industry to give employment to returned soldiers, and adopted the methods that have been adopted in Australia, it would be a payable proposition. In tobacco-growing there are certain periods in its development when it must have labour. Women and children can do the work, as it is principally a question of topping and hoeing round to keep the weeds down. The work must be done, and done in a limited time. The machine-made cigarette is preferable on hygienic grounds, and it is absolutely essential as a commercial proposition. A machine will turn out about four millions in a month. Labour is also required in the way of packing, sorting, and so on.

2. *To Mr. Hudson.*] The growing might be carried on half a mile from the sea, and in other places it might be necessary to go inland for ten miles. Experiments in different parts would determine a matter of that kind. A scheme might be evolved whereby experimental plots could be planted round about New Zealand, and in a year or two some very valuable data would be available to work on. In that way it would be possible to ascertain which districts would produce the best leaf. It is no use supplying low-grade leaf. The company I represent could not guarantee a farmer so-much for leaf for a number of years, though it would take a fair quantity at a fair market price. The experience of Australia has been that if you guarantee the farmer 2s. per pound you find yourself compelled to take over a lot of leaf that is not worth 2d. per pound. The only thing that could be done would be to lower our standard in view of the fact that the industry is in its infancy. We have imported machinery for the manufacture of tobacco. I think we paid duty of 25 per cent. and 10 per cent., or 20 per cent. and 10 per cent.—about 30 per cent. in all. The tobacco-seed is sown in November; it is transplanted by hand into the field six weeks later, and two months afterwards the plants are ready for topping. The season is principally about April or May, but it depends on the district.

3. *To Mr. Poland.*] The amount of tobacco consumed in New Zealand annually is about 4 lb. per annum per male head between the ages of seventeen years and forty years. Australia does not export leaf tobacco. I have not known of experiments on pumice lands of tobacco-growing. A man grew some tobacco on light pumic soil at Pakipaki and got excellent results, but, unfortunately, a heavy frost came and the crop was ruined. If you can get a sheltered valley inland