

strawberry-jam, owing to the high price it fetches in the local market for dessert purposes. In Auckland they are somewhat more favourably situated, but I think that as an article of diet strawberry-jam has never been produced in New Zealand in sufficient quantities to cope with the demand. Up till the outbreak of the war we used to import considerable quantities of strawberry-pulp from France—grown on the slopes of the Alps behind Marseilles; it came in 10 lb. tins ready for use. This is also saddled with the 1½d. per pound duty. Since the war there has been none of this French fruit imported. During the last season there has been quite a quantity of jam imported from Australia, simply because we have not been able to meet the demand. There is 2d. per pound duty.

*To Mr. Hudson.*] I have never heard of pineapples being grown in the north of Auckland. I am not familiar with the northern conditions. I do not see any reason why they should not be grown there. We have never been able to get any benefit from Auckland and Nelson strawberries in this district. Jam-manufacturers in Auckland and Nelson never have strawberry-jam to supply their customers and ours. I think the amount is small that a Dunedin firm pulps at Nelson. The price of strawberries here is never less than 10d., and it goes up to 2s. 6d. They are no use for the making of jam unless they can be got at 5d. per pound. We have a standing offer to pay 5d. per pound.

*To Mr. Craigie.*] My idea was to use pineapple-pulp in conjunction with melons. At the present time we use lemons with melons, and it makes a very popular preserve. I think that melon-and-pineapple jam would be a very valuable addition to our assortments. I think pineapple-pulp could be landed here from Brisbane at 3d. per pound and the duty, 1½d.

*To Mr. Sidey.*] We would use the pineapple to put up with our assortment; it would be a valuable addition. We would not be able to sell it at a less price than we are charging. If the duty were taken off strawberry-pulp it would enable us to make it up cheaper and keep out the imported article. I cannot say anything about the production of pineapples at the Cook Islands.

A. S. MALCOLM, M.P., examined.

I have taken advantage of the presence of the Committee here to bring before your attention a matter of the highest importance to New Zealand, and a matter of considerable urgency. During last session of Parliament a Distillation Act Amendment Bill was passed, authorizing the Government to issue licenses for the distillation of industrial spirits.

*The Chairman:* We have had the matter under consideration many times since we started our investigation.

*Mr. Malcolm:* I shall content myself by saying that the possibilities before the distillation of industrial and motor spirits are simply limitless. Twelve years ago they were able to produce the spirits at a low price—5d. per gallon—in Cuba. In view of the increased facilities I have no doubt that the price under normal circumstances would come down to 3d. or 4d. a gallon, and possibly even less. In a country like New Zealand, with a scattered population, the advantage of having a spirit that could be sent to any house is, as I say, limitless. It enters certainly into the question of motor facilities, and into nearly all the arts and manufactures, and even for lighting. Denaturalized spirit is likely in the future to come into competition with hydro-electric light. What I suggest to the Committee is this: before waiting to bring in a final report, to immediately correspond with the Attorney-General or Minister of Internal Affairs suggesting that no license be issued until the Committee report. The trouble is this, of course: Here is a product with immense developments before it. If the distillation or manufacture of spirits comes into the hands of a few people the result will be to put a monopoly value on it, and instead of the spirit being retailed at from 2d. to 6d. they will be able to put it up to any price they like. My own idea is that the Government should keep the manufacture of these spirits entirely in their own hands. There is this further objection: Doubtless the present breweries would be used for the manufacture of these spirits under license. If prohibition is carried on the 10th April it is proposed to give the trade generally compensation to the amount of four millions and a half. I take it that the public would very greatly resent the handing-over to the brewers a license of probably greater value than the license to brew which they possess at present, just after getting from the public four millions and a half. I think the public would regard such a transaction, to speak plainly, as a dirty transaction, and would greatly resent it.

*The Chairman:* Have you perused any of the reports by Government officials in connection with the manufacture of alcohol?

*Mr. Malcolm:* No; I have depended for my information very largely upon Professor Duncan's book, "The Chemistry of Commerce." For instance, sawdust could be used in the manufacture, and any vegetable refuse, and potatoes. Professor Duncan points out the extraordinary ease of distilling spirits. They can set up a distillery almost anywhere at all if they have only got the material.

*The Chairman:* Professor Easterfield in his evidence before the Commission said, "Various schemes have been put forward on the manufacture of industrial alcohol from waste products. Dr. Maclaurin has reported on the subject. I believe he is right in offering no hope, as far as he has reported."

*Mr. Malcolm:* I have the highest respect for Dr. Maclaurin's attainments, but as regards trade facilities and manufacturing processes university men are not the best guides you can get. Professor Duncan admits that in America they have been absolutely asleep. It was the Germans who showed them what might be done, and they took it up purely as a business matter; they manufactured their motor-spirits out of potatoes; they were able to manufacture it for twelve years at 9d. a gallon. In the United States they use Indian meal, and in Germany they were using potatoes. The point is very difficult, of allowing distillation to come into the hands