

*To Mr. Luke.*] 20 per cent. on hardware is the duty on ranges. We could not have built up our business without the tariff. Our business is standardized and systematized, and there is a multiplicity of orders off the same pattern. We are still building oil-engines. There is a substantial duty. Before the war there was little in the oil-engine business, in consequence of the American competition, but when the war broke out importations largely stopped. The oil-engine trade has not developed much in consequence of the war. Since the war broke out we have had all we can do. Assuming that the Parapara pig iron was as uniform in quality as pig iron imported from Australia, I do not think it would be a success even with reasonably-sized furnaces in operation. I am not a believer in the production of iron in New Zealand from the native ore. I think the requirements of the Dominion are not sufficiently large at present. They are not sufficiently large to warrant the necessary plant being put down. I think it will be a long time before Parapara and other measures will be worked successfully in New Zealand. India is much too close, and there they have larger and richer deposits than we have, and their costs are much lower than ours. Bengal iron is very uniform in quality, and there are other Indian irons just as good. I think that, although the Broken Hill people are successfully making rails, we have not the same chance on account of our smaller population. The Broken Hill people have Australia to work on. I am aware that the Broken Hill Company is exporting rails. That is under present-day conditions.

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FRIDAY, 21ST FEBRUARY.

J. LOUDON, representing Brown Bros. and Loudon, Wool-scourers, and Otago Expansion League, examined.

There are three matters that I wish to bring before the Committee. The first is in connection with wool-scouring. I am not going to burden you with a mass of figures, because I understand that in Christchurch you have already had this matter before you. I would just like to say this: last year's total output of wool for the Dominion was something like 560,000 bales, of which between 80,000 and 100,000 were scoured in the Dominion. That is a much greater quantity than was scoured in pre-war days; but the Government, I think wisely, for the purpose of economizing shipping-space and for other reasons, decided, to the advantage of the low-grade and heavy wool, that it should be scoured in the Dominion. I am here to ask that the principle of scouring should be as far as possible extended. These figures apply to 1917-18. What I suggest is that it would be a good thing for the Dominion if a great deal more of the wool were scoured here. We have just got one little lot that we have finished; and the greasy weight of 196 bales was 65,178 lb., and the scoured weight of 172 bales was 42,667 lb., or 22,911 lb. of dirt and other foreign matter. You can easily see that it would be economic waste to spend freight on that quantity. On the other hand, as scourers who have been in business for very many years we have always had the objection raised, particularly by Bradford people, that the scouring done here does not suit the requirements of the various trades of our wool in the world's markets. There may be a good deal of truth in that, because, say, for the sake of argument, there may be sixty or seventy small wool-scouring works, many of them very primitive in their arrangements, and all working under different conditions as regards the nature of the chemicals they use in scouring and as to other conditions. A gentleman who has given the matter a great deal of thought made this suggestion: that the interests of a great many of these people could be combined, and that three up-to-date scouring-works might be established in the North Island and three in the South Island, where the whole of the wool of the Dominion might be scoured—might be treated scientifically and chemically, so that no possible exception could be taken, either by Bradford, French, or other buyers, as to the quality of the scouring. He suggested that that could be done, and that it would mean a tremendous increase in wages spent in the Dominion, and that it would consequently enhance the wealth and productivity of New Zealand. That is what the Expansion League is out for, and we hope that something in that direction will be done. A further industry we went into was the question of top-making. In Australia an industry has already been started, and is being carried on on a fairly large scale. It is co-ordinating with a primary industry, and there seems no reason why New Zealand should not manufacture tops and ship them to London or to some other market for sale. It seems to me wrong to say that New Zealand people are lacking in brains or initiative as compared with the people, say, of Bradford. No doubt there they have had the benefit of generations of experience in this line, but if we get experts from these places to New Zealand it seems to me that it would be a step in the right direction to try and establish such an industry here, particularly as, I say, it will co-ordinate with our primary industry. I have not got the figures of the employees engaged in the industry, but one can easily understand what they must be if the additional bales are scoured locally.

*To Mr. Hudson:* I think it would be a step in the right direction to erect scouring plants in the Dominion—three in the North Island and three in the South Island. Many of the existing plants are not up to date. There are some up to date in certain directions, but the scientific part is lacking. I suggest the compulsory scouring of wool. My suggestion is that the whole of the wool of the Dominion should be scoured, and that should be done by proper methods, so that there can be no possible objection taken to our wool in any part of the world. It is not necessary that all the wool should be scoured, but it would be advisable in the interests of the Dominion.