

*To Mr. Craigie:* I think our greatest competitor in the future will be England. All boots coming into this country before they are retailed to the public must be stamped. We want another 1 per cent. duty.

*To Mr. Forbes:* In sole leather there has been an improvement in the local production compared with what it was previously. I am speaking of the past five years. Sole leather has deteriorated in the case of some manufacturers; we find that out in working the leather in the factories.

J. A. BROWN, representing Methven and Co. (Limited), Ironfounders, examined.

As regards our iron industry, and particularly the part I am connected with, we have had some difficulty as regards the protection—the protection instituted particularly with respect to brasswork. During recent years wages have considerably increased, so that you may say that to-day the manufacturers are practically without any protection at all. The question has been discussed by the manufacturers' association and other bodies here regarding the best method of protection. They have not had time to come to any particular decision as regards a policy of protection. It has been recognized by several manufacturers that protection in the shape of increased Customs duties is not sufficient—that increased duties assist industries in their initial stages, but after that something more is wanted. It has been strongly held that the New Zealand market should be held exclusively for local manufacturers. The method of getting over that may be arrived at by a standardizing of productions. You have had the suggestion of a standard boot. In the case of brass goods we could tell you almost exactly how many brass taps, for instance, are used in New Zealand, and how many boilers. This brings up the question of the establishment of a Department of Industries. This Department would require to be invested with wide and plenary powers—a simple, well-organized, expert machine to report, instruct, and assist in development by acting in a fiduciary relation to and embracing all sections of industry within its folds. (1.) The Department could be divided into three branches—statistical, commercial, and scientific—controlled by an expert committee of management; and the following suggestions reveal a *modus operandi*. (2.) Collecting and recording of statistical data—viz., (a) all the factories engaged in production; (b) the local output of such factories; (c) the relation of the quantity of the total output to the total consumption. There are approximately 120 distinct industries, and the scheme would combine the various groups engaged in manufacture. Then, by totalling the sectionized output and comparing it to the consumption, the amount of local manufacture necessary to make up the deficiency would be determined. (3.) The scope, possibility, and desirability of increasing production. The work of the expert is necessary to determine the most scientific means of production. The elimination of wasteful and useless methods of manufacture would be discussed by the factors engaged from a standpoint of greater efficiency. A more scientific method may be arrived at by the division of production, allotting to each factory those articles it can manufacture to best advantage. (4.) The standardization of goods as a method of reducing costs, the objective being to ensure the consumer against defective quality. The creating of standard goods is the result of expert consultation with the factors engaged, to obtain the best results at a minimum cost. (5.) The purchasing and distribution of raw materials. A similar system has been adopted by the Minister of Agriculture with regard to wheat-supplies, and amply illustrates the possibility of joint purchase of all materials used in manufacturing. The negotiating for supplies on a quantity basis would improve the bargaining-power of the manufacturer. Dunedin ironmasters require approximately 4,000 tons of pig iron per annum. The exact quantity could be obtained, purchased, and distributed. The arrangement of leather-supplies for the manufacture of boots, involving the purchase of hides, wool for cloth, cloth for clothing, &c., quantities of which could be conveniently recorded and arrangements made for supplies on a population of guaranteed consumption. The underlying ideal of standardization is to steadily improve the quality of production by scientific investigation, which reduces cost. (6.) Scientific research: This department would be available to any person requiring its services. Where a discovery rewarded research, as, for example, the extraction of oil from coal-dross, a company prospectus could be issued giving all information regarding the process, the machinery required, prospective trade, and capital necessary. All beneficial results of scientific investigation should be commercialized by the department, and unless this were done such discoveries would be worthless. The manufacturers and their workers must combine and demand that the present policy of foreign importation be adjusted; that all goods that can be successfully manufactured in our midst shall be absolutely prohibited from importation. The system of base ingratitude which permits our wealth to be exchanged for the product of foreign sweated labour must be abandoned in favour of the better distribution within our own borders for the benefit and welfare of our own citizens, and for the employment of our own labour and ability. Again, importation of useless and luxurious articles must also be prohibited, thereby checking wasteful expenditure, on the very grounds that New Zealand requires for her industrial advancement builders' ironmongery, railways, stock, and raw materials, before silk stockings, fur coats, face-powders, &c. The exports of New Zealand's surplus production must be directed into channels for the exchange of only those articles which we ourselves cannot produce, and those luxuries we can afford to enjoy, and no half-measure policy should be accepted. In order to do away with recurrent crises and industrial upheavals in trade, the organized power of the State, the two factors in wealth-production, and every section of society, each acting in concert and co-operation with each other, must step in to reduce the order of existing apathy, which produces such baneful results. I would like to point out, as regards the duties in New Zealand, the average is about 14 per cent.—that is, the average right through. In Australia I think it is double. There has been a wonderful increase in the output of the iron industry in Australia. In regard