

carpet and insulating-felts [samples produced] we ask for a duty of 5s. per hundredweight, with 7s. 6d. preferential. At present there is no duty on this line. Coloured pressings are also duty-free, and we ask for similar protection. White printing-paper is another free line, but there is a good deal of it imported in small shop rolls of 9 in. diameter for wrapping purposes. We ask for similar protection on this line. Some time ago we drew the Prime Minister's attention to the fact that printing-paper can be made in New Zealand, and that we had already supplied several newspaper offices, which were quite satisfied with the quality [sample produced], but we cannot produce the article in normal times at a price low enough to compete with the imported on account of there being no duty on it. Before the war Canadian newspaper was carried in subsidized vessels, thus securing rates much lower than we paid for raw materials. If inducements in the way of protection were given our plants could be enlarged, and the manufacture would be made one of the staple industries of the country. We have, however, refrained from asking for this concession, and have devoted ourselves to the manufacture of wrapping-paper and bags, but in these lines we have been subjected in the past to competition which we submit is neither fair nor just. While the pulp-mills in Canada would not supply us with wood-pulp, on the ground that their works were fully occupied without our business, they were able, in the absence of a duty in our favour, to land paper here at a very low rate. Pulp boards, we submit, should also carry a duty of 5s. per hundredweight. Then, in the Customs tariff paper bags are divided—"paper bags, coarse," and "paper bags n.o.e." There are no bags imported under the first heading, but under the second heading all sorts of light bags are admitted, and many of these are used by grocers and others for the same purposes as the coarse class. We have had experiments made with all the local timbers for making wood-pulp for the manufacture of strong wrapping-paper, and the most suitable proved to be white-pine. This timber, however, is scarce, and is required for butter-boxes. The industry is a fine one for the Dominion, giving employment all over the country, and using up waste products that would otherwise be destroyed.

*To Mr. Craigie:* We have tried *Pinus insignis*. It makes good pulp, but it is not a local tree.

*To Mr. Hudson:* I think that broom, gorse, &c., properly treated, would make good paper, as stated by a witness the other day. I do not think that wrapping-paper should come in free.

*To Mr. Forbes:* The industry has developed considerably in the last ten years. In the lines I have referred to we have never done a large trade, but under protection we could do a considerable amount of work. We employ about 150 hands in our three mills.

*To the Chairman:* Our wood-pulp experiments were made in London in 1911. There are large areas of birch, or beech, in Southland. We sent some of it Home, but the report on it was that the paper was no good—it had no strength in it. I think there are other timbers than white-pine in New Zealand to make newspaper pulp, but unless we get protection we cannot compete with the material that comes from overseas.

*To Mr. Luke:* Generally the waste products of the country keep the mills going. Two-thirds of a white-pine tree would be suitable for the making of paper. The small branches could not be used.

J. E. MACMANUS, Farmer, Catlin's, examined.

I am interested in the development of the timber industry in South Otago, where I have taken up a bush section. Bush settlers have many difficulties. Under present conditions they are practically forced to destroy what is a national asset—the bush—and sow grass. This policy is pure stupidity. If a settler is a returned soldier the Government actually advance him money to destroy the timber. The soldier's disadvantage is that he cannot get his timber to a market. He lacks means of access to his land and from it, and he lacks means of transport. Now, in France I saw an idea that might be of value here—I refer to light railways to feed the main lines. On the western front there must be seven or eight thousand miles of railway, and the New Zealand Government will have an opportunity now of obtaining not only cheap railway-lines, but cheap rolling-stock from that country. The gauge is 2 ft. 6 in. There are vast possibilities in a country like this if the Government will only acquire a large section of that railway and rolling-stock. The Queensland Government has established a State sawmill, and is clearing the land before the settlers go to it. If our Government will do the same it will develop an excellent industry and make the difference between success and failure. I have been brought into touch with many soldier settlements, and I contend that some of them are doomed to failure. [Witness referred to cases on the Clifton and Benmore settlements.] Soldier settlers are better treated in Queensland. On all unimproved land the returned soldier is given an area rent-free for the first three years, and from the fourth to the fifteenth year he pays 1½ per cent. on the capital value. If money is advanced he is not asked to pay back any of the principal for the first seven years, and the interest is 3 per cent., rising to 4½ per cent. In addition, they get technical instruction from the experts of the Technical College and other advantages. The schemes there are a success. I suggest that something similar should be done in New Zealand. I believe, after the experience of Queensland, it is possible to settle men on unimproved land. Queensland helps a man over his initial difficulties.

*To Mr. Veitch:* I believe that land-aggregation is more general in this country than is generally imagined. The timber-supplies of the Catlin's district are very extensive.

M. W. MARRIAGE, Manager, Newberry, Walker (Limited), Ironfounders, examined.

The point I wish to make is this: Mr. Hayward said yesterday that he wanted a line such as cabinetmakers' ironmongery to come in free of duty when the tariff is reconsidered. We manufacture bedstead fittings for wooden bedsteads, and it is my desire that the tariff should be left as it is. We have put down extensive machines to do the work. At present we are competing with Birmingham successfully, and do not want the duty taken off now that we have established our branch of the industry.