

taken from what is known as the resin seam of coal which has been found to overlie the whole of the coalfield under consideration, and which is at the present time regarded as valueless. This seam varies in thickness from 2 ft. to 3 ft. up to 14 ft. or 15 ft. so far as investigations have proceeded. It will therefore be apparent to the Committee that in the Ohai Coalfield Southland has an asset of inestimable value, and it is of the utmost importance that Mr. Macindoe's suggestions as to further investigations being made in regard to its development should be carried into effect. The pitch could be used, in conjunction with oils and rags, in the manufacture of patent roofing, of which a large quantity is imported at present. This would be a new industry.

*To the Chairman:* There are five or six companies mining the coal. The Government could assist by making inquiries as to the establishment of works to make use of the by-products of the coal. Most of the slack and other residue is being thrown away at present.

*Witness:* I desire to say further that in view of the fact that Southland is proceeding, under the Electric-power Boards Act, 1918, to have the whole of the province proclaimed an electric-power district for the purpose of generating and distributing hydro-electric power within its boundaries, the question of the cost of electrical appliances of every kind is of vital importance. These costs, it would appear from inquiries which have been made, are materially increased as a result of the heavy import duties at present levied by the Customs Department, and, taking into consideration the fact that every portion of the Dominion has now under consideration the early supply of hydro-electric power, it seems to me that a revision of these duties should be made without delay. Dealing further with the Electric-power Boards Act and its very important bearing upon the development of the resources of this Dominion, I would respectfully suggest that the Committee consider the present method adopted by the Government regarding hydro-electric power. The Government's method in the Lake Coleridge scheme has been to not only generate the energy, but to distribute it throughout certain portions of the area coming within the scope of the particular source of supply. I suggest that this is quite inimical to the best interests of the Dominion as a whole. It undoubtedly favours certain portions of the Dominion to the detriment of the remaining portions. It prejudices certain portions of the particular district that might be supplied from the same source of power in favour of those portions of that district which have the benefit of the energy. I respectfully submit that the equitable method, and the method that will undoubtedly bring about the more rapid and the most efficient development of the resources of this country, is as follows: That the Government should generate the power at the particular source of supply and stop there; that districts should be formed under the Electric-power Boards Act for the purpose of purchasing the power from the Public Works Department in bulk and distributing that power to the ratepayers or the consumers within the boundaries of their allotted districts. No portion of the community would be favoured to the detriment of another portion, each having the privilege of forming a district and obtaining the power in bulk, and the incentive for the centres to assist in the development of the outlying country upon which they are undoubtedly dependent for their prosperity comes into play, and would be a material factor in the progress of the Dominion. Southland is proceeding upon the lines which I have suggested, and there is every reason to believe that the scheme is going to be a marked success from every point of view. I trust that the Southland idea will be further investigated by the Committee, and that as a result of that investigation recommendations will be made that will induce every portion of the Dominion to follow our example.

*To Mr. Sidey:* I understand that Mr. Parry has decided on his South Island electrical plans to this extent: that our proposals will be approved by him. We are taking our power from the Monowai River and Lake. We have not called on the Government to do the work. Ultimately we hope the works will be owned by the Government. We would be pleased to ask them to do the work, but we have little hope of the Government doing it soon. We are therefore going to do it ourselves, and the Government may take it over later on. We can get the money at an advantageous rate. I do not say that we have to go to a private source for it. We hope to get plenty of labour when the soldiers come back.

*To Mr. Craigie:* I do not know that the Government can borrow the money at a cheaper rate than we can.

W. RIDDELL, Door-manufacturer, examined.

I wish to draw your attention to the door-manufacturing industry as carried on in Invercargill. In the years 1887 and 1888 the concern I am connected with made from a hundred to a hundred and thirty doors per week for export to Australia, all from local-grown timber, and forty to fifty per week from native timber, kauri, and imported timbers for use in New Zealand, paying wages from £25 to £30 per week. Local timber in those days cost 6s. 9d. per 100 ft., and kauri 13s. 3d. to 13s. 9d. per 100 ft., this trade showing a fair margin of profit. Up to a few months prior to the breaking-out of war prices had advanced 150 to 200 per cent. on materials and 60 per cent. on wages, which made it impossible to compete with the imported article from Norway and Sweden, where the ruling rate of wages were 2s. 6d. to 3s. 6d. per day of ten hours. Since the days of 1914 materials and wages have increased enormously, and when the foreign article reaches this market again it will be disastrous for the local-made article. From the United States and Canada, where they have splendid organization and unlimited markets, doors can be exported to New Zealand, and after adding 20 per cent. and 10 per cent. preferential duty can still be sold under the local article and show a profit. I consider a duty of 5s. each on all imported doors up to 6 ft. to 8 ft. by 1½ in., 7s. 6d. each up to 6 ft. to 8 ft. by 1¾ in., and 10s. each on larger sizes, would meet the case. I would also call your attention to the necessity for reafforestation of suitable timber for manufacturing in the future. It would be wise to create a more efficient training for skilled workers. The present wages paid to unskilled