

JOHN HUTCHESON, of Hutcheson, Wilson, and Co. (Limited), examined. (No. 14.)

I am chairman of directors of the Dominion Ferrolith Company, at present engaged chiefly in the manufacture of "Ardolith" artificial slates—that is, asbestos roofing-slates—and my chief object in coming before this Committee is not to ask the Government for spoon-feeding—I have never believed in that—but principally to ask the Committee, if it deems proper, to assist to get Government Departments off our backs. I propose to show you in a very concise and clear way how very badly we have been discriminated against. I might have made a bother about it with Ministers, and probably would have got some relief, but I recognized that Ministers have been fully occupied and absorbed with one business—that is, to uphold our end in the war. That is the reason why we have suffered the disabilities which have been placed upon us up till now. First of all, the Lands Department has been a very serious hindrance and drawback to us. We are now penalized to an extent which I hope to persuade you to believe is quite unfair. On the 22nd March, 1916, I approached Mr. Massey, as head of the Government, asking whether he would look into a question connected with a strip of land known as the Melling Village Workers' Settlement, adjacent to the railway-siding of Melling. Mr. Massey replied very promptly, stating that the inquiries asked for would be made. We wished to have a more permanent tenure than tenants at will. The reason we wished to have some more permanent tenure than tenants at will was because the land is liable to flooding—liable to periodical inundations to a depth of 4 ft. 6 in. over the whole area. Our first buildings were built with the knowledge that there were recurrent floods. I will show the Committee photographs of the land under flood. [Photograph produced.] The reason we have stayed there is because we want to be convenient to shingle and water, the chief ingredients used in our industry. In view of the circumstances our principal building was constructed above high-water mark. It is like a huge coffer-dam, and was made watertight. Mr. Massey's letter was sent to the Lands and Survey Department, and Mr. McClure notified me on the 11th April that he had received Mr. Massey's letter, and was looking into the matter. On the 4th September we received a letter stating that the Lands Department had resolved to offer the settlement in three lots for cash by public auction in eight weeks. The letter stated that it was "proposed to fix the price of Lot 1 (part of which you are now occupying) at £430, and the other two lots at £340 and £420 respectively." Those were the prices fixed by the Crown lands valuer. Still delay and turmoil went on, and after further delay, on the 30th October, I received a letter from Mr. Brodrick stating what was proposed to be done by the Wellington Land Board. After all this delay an application was made to the Post and Telegraph Department, and inside of a week we had the lease signed. We are rated on the valuation of the Valuation Department's value; and that is where we want relief. I saw the Valuer-General, but he pointed to the valuation of his officers. I showed him the photograph of the land under water. There was land sold in the neighbourhood at £75 per acre, whereas we were rated upon a very different valuation. The local body, the Hutt Borough Council, adopts the valuation of the Valuation Department. We tried every possible means of getting an appeal, but we could not get it. Now I come to the Railway Department. The principal ingredients in Ardolith asbestos slates are cement and asbestos fibre. The railway freights per ton, Wellington to Masterton—sixty-six miles—are as follows: New-Zealand-made cement, Class E, 8s. 1d., (rate and a half) 12s. 1½d.; any kind of asbestos, Class C, £1 7s. 8d., (single rate) £1 7s. 8d. To make 1,000 slates requires 1 ton of cement and 6½ cwt. of asbestos. Railway freight to Masterton on 1 ton cement, 12s. 1½d.; railway freight to Masterton on 6½ cwt. asbestos, 9s. 4d. Wellington to Masterton freight on raw material for 1,000 slates, £1 1s. 5½d. Wellington to Masterton freight on 1,000 imported slates—27 cwt., at 11s. 2d. per ton—14s. 11d. Discrimination against raw material and in favour of imported manufactures, 6s. 6½d. As the Masterton manufacturer may possibly send the slates when made back to Wellington, it will obviously cost him £1 16s. 4½d. to send 1,000 slates to Wellington, as against 14s. 11d. for the Wellington importer to send 1,000 slates to Masterton. My little company is not in any way connected with asbestos claims, so what I suggest is purely unselfish and impersonal. I spent a month in Nelson last Christmas twelvemonth and visited Collingwood and Takaka. I am firmly convinced that there are sufficient deposits of asbestos there that the Government as the owner of the mineral wealth of the country could very well bring to market at a price very much lower, and the article is of very much better quality than we and other institutions like us require—an article which we are now getting from Canada. I may state that the last 40 tons from America passed over five different railways in Canada and the United States, and finally came by mail-steamer from San Francisco. For the last two quantities of 40 tons a banker's credit of £1,200 was required on each occasion to cover the freight for each shipment. The freight alone cost two and a half times more than the cost of the material landed at Melling after the war. I am told by some of the gentlemen at Motueka that if there was only a decent road over the hillside from Mount Arthur to the claims plenty of marketable asbestos could be obtained at a very reasonable price. I have here a small sample of some of the Motueka asbestos, and it is infinitely superior to what we require for our work. I have also here a small sample of the Canadian stuff that we are using. [Samples produced.] The latter sample is the very lowest grade which we could make a decent slate with. We would prefer a higher grade. The sample of New Zealand asbestos which I have here is surely such that the Government should assist in developing. I have no interest in it except that we would be prospective users of it. At present we would use from 8 to 10 tons a month, and we are only in our infancy. The following are the railway freights over a distance of 100 miles on the following goods per ton:—Roofing-material: Imported slates (natural), 13s.; imported earthenware tiles, 13s.; imported asbestos roofing-slates, 13s. New-Zealand-made slates (natural), 10s. 2d.; New Zealand earthenware tiles, 7s. 11d.; New Zealand asbestos slates, 13s. Asbestos (mineral), crude or fibre, New Zealand or imported, £1 13s. 7d. In regard to our New-Zealand-manufactured article, Ardolith, we are getting a good market for it, but we are severely handi-