

New Zealand you would have to determine the wholesale selling-price here and fix the rate of duty in accordance with that. There is something like the sliding scale you suggest in existence now in connection with wheat and flour. It might not be difficult if you had only one or two industries to deal with, but it might be difficult if you had more industries to deal with.

10. *To the Chairman.*] The duty on British fancy goods and toys is 20 per cent. *ad valorem*, and on foreign 30 per cent. The value of British and foreign fancy goods and toys imported in 1918 was £163,000. A large percentage was fancy goods. The British fancy goods and toys were valued at £67,000, and the others at £96,000—Japanese, £61,000; and the United States, £23,000. Importations of Japanese and United States fancy goods and toys have gone up enormously since the war.

11. *To Mr. Hudson.*] Raw material was imported for the manufacture of toys. If it was cotton it was admitted free of duty. Woollen material was not admitted free.

12. *To Mr. Veitch.*] If toymakers bought remnants of cloth from shops on which remnants duty had been paid it would be a difficult matter to give a refund of duty on such remnants. It is a difficult matter to separate fancy goods and toys. If the toymakers could show us any way in which the material they import could be cut so that it could not be used for anything else than the manufacture of toys the Department would be prepared to recommend that it be admitted duty-free. We asked the importers to submit to us any scheme that would be practicable, promising that we would consider it, but they said they could not think of anything.

13. *To Mr. Poland.*] If any other manufacture was started and the raw material came in its free admission would be considered, provided the article could not be made in New Zealand. The woollen material that the toymakers used was of a kind that could not be made here.

14. *To Mr. Sidey.*] The Australian tariff did not distinguish between fancy goods and toys.

15. *To Mr. Poland.*] Last year 2,976 hats were imported from Australia, the value being £10,766.

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(No. 22.)

In regard to the growing of tobacco, it is well proved that tobacco of decent quality can be grown in many localities in New Zealand. I recollect distributing tobacco-seed thirty-five years ago, when I was Sir James Hector's assistant. Instructions for growing were also issued. Seed was also distributed to children of the Native schools, together with instructions. A very decent tobacco was grown in many localities. In 1901 I recommended that investigations should be made, and the Government commissioned Mr. G. F. Sutherland, who made a report on tobacco-growing in New Zealand. The report was issued as a small bulletin of the Department of Agriculture. Mr. Sutherland had owned tobacco plantations in Fiji. The Government has since distributed seed. We find that tobacco grows well in the North Island on our own clay lands in the Government experimental place near Mercer, and in portions of Hawke's Bay. It also grows on Moutere Hills, in Nelson. [Photograph produced.] Experiments have also been conducted by the Department at the Ruakura Farm. [Photograph produced.] An account of it can be found on page 303 of the *Journal of Agriculture* of 1913. It was a fairly successful experiment. The seed was sown on the 14th October, planted out on the 17th December, and the crop was harvested in the middle of March.

1. *To Mr. Hudson.*] All the attempts at commercial tobacco-growing in New Zealand have been non-successful. We can grow the leaf; and a very decent leaf, but we have not yet grown it profitably. The Hawke's Bay Company was getting along fairly well, but I believe they have sold their drying-houses. The main difficulties are the excise restrictions. There is also an objection to the tax on the imported leaf, which is required for blending. Further, constant care and labour are required during the whole life of the plant. I consider that at present the labour difficulties are too extreme for the profitable cultivation of tobacco.

2. *To Mr. Poland.*] We made experiments at Tauranga, where the soil suited well. A light, friable, deep soil is the most suitable. The growing of tobacco on small farms by families may be carried on financially if there is a factory that will guarantee to buy the stuff if it is up to standard. Tobacco is grown successfully in some parts of Australia. Their climate is much better than ours for drying tobacco.

3. *To Mr. Hornsby.*] I do not claim to be a tobacco expert, but I was surprised to see the site the Hawke's Bay Company had selected. They lost a large quantity of their seedlings owing to a disease. They took some of their seed to the horticultural station at Havelock, where fine seedlings were raised. This indicated that the seed could be grown successfully farther from the sea than the company's site.

4. *To Mr. Sidey.*] The tobacco-plants are 5 in. or 6 in. high when they are planted out. It is still liable to a late frost at that stage. When once well established there is not much fear of frost. We have tried eight or nine varieties. All the places where I have experimented are farther from the sea than the land of the Hawke's Bay Company. The company's land is a few hundred yards from the sea. I think it is too close to the sea. Portions of the company's land are very rich. If farmers are sure of a market it would pay them to grow tobacco. In Nelson there is none too much labour for the fruitgrowing. On tobacco the labour required is between September and March, and at that time there is a demand for labour for the fruit. I do not think we have the labour available at present to grow tobacco.

5. *To the Chairman.*] Returned soldiers who could stoop and do work about the ground would not find the work heavy. If you are going to put soldiers on the work you must arrange for drying-sheds and be sure of a market. It would take about eight years to get the industry properly established, and the Government would have to encourage it at every point. I am not sure how the labour difficulty is overcome in Australia. I cannot say that children are kept at