CORRESPONDENCE RELATIVE TO NEW INDUSTRIES AND MANUFACTURES IN VICTORIA.

No. 1.

INSPECTOR-GENERAL of CUSTOMS to the Hon. COMMISSIONER of TRADE and CUSTOMS.

Department of Trade and Customs,

Melbourne, 15th May, 1868. SIR,-In accordance with instructions received from the Hon. Mr. Francis (dated the 5th instant), F. T. Sargood, I, in conjunction with the gentlemen whose names appear in the margin, proceeded on the 12th instant Esq. to the premises of the Victorian Woollen and Cloth Manufacturing Company, at Geelong, for the Thomas Alston, purpose of inspecting certain cloth which the Company had manufactured, and reporting upon the Esq. quality and quantity of the same for the information of the Government; and I have now the honor

to hand you a report containing full particulars of our inspection.

In thus placing before you the result of our visit, it may be expedient that I should briefly state the circumstances which induced your predecessor to issue the instructions above alluded to. As you are aware, the sum of £5,000 was granted by the Legislature in 1865 to the Government, for the encouragement of novel industries, and a Board was subsequently appointed by the Governor in Council to consider applications and recommend premiums in cases which they considered deserving of assistance. The labours of the Board are detailed in a report dated 19th June, 1866, of which I attach a copy, and the regulations will be noticed which were framed for the guidance of the Board.

Among the applicants were the Victorian Woollen and Cloth Manufacturing Company. At the time of their request to be included in the list of applicants for assistance from the novel industry vote, they had not manufactured any cloth, but expected to be in a position to do so before the middle of 1866, as their factory was in course of erection, and the requisite machinery had been ordered from England. Under these circumstances, and recognizing the vast importance to the Colony of the proposed industry, the Board awarded £1,500 for payment to the Company on fulfilment of the following conditions, viz.:—"There must be produced on or before the 20th December not less than 2,000 pairs of blankets of good average quality and size. It must be understood that the quality of both or either production must be to the satisfaction and subject to the judgment of the Board."

The decision of the Board was communicated to the Company on 29th May, 1866, and in a letter dated 1st June they expressed their hopes of being able to comply with the terms and conditions

required by the Board.

In October following a letter came to hand from the Secretary expressing his regret that, from advices which had just been received from England to the effect that the machinery would not reach Victoria before the beginning of December, there was no probability of the Company being in a position to fulfil the conditions imposed by the Novel Industry Board, and requesting, in consideration of the many difficulties they have to contend with, &c., that the £1,500, which would necessarily lapse into the general revenue on the 31st December, would be placed on the estimates for the following year. This request was submitted by your predecessor for the consideration and decision of the

Cabinet, and the award appeared in due course on the Supplementary Estimates of 1866.

On the 19th December, 1867, a letter was addressed by direction of the Hon. Mr. Francis to the Company, inquiring the extent and description of the manufactures actually produced at their establishment, and a reply was received that they had commenced the manufacture of woollen tweeds 23rd December, early in October, but an accident had unfortunately occurred on the 25th of that month, which 1867. delayed their operations until the 21st December, when work was resumed. In this communication it was mentioned that a deputation from the Board of Directors would be happy to wait upon the Hon. Mr. Francis, to enter into the actual extent of their operations. They were informed that it was considered preferable, instead of a deputation waiting on the Commissioner, for the Company to furnish a statement containing full particulars concerning the industry, which could be placed on record for further reference. This suggestion was acted upon, and the requisite information was furnished in a letter dated 31st December, 1867, respecting cost and description of machinery, buildings, &c. In this communication allusion was made to the untoward accident which occurred on 25th October, namely, the breaking of the pinion of the main shaft; and the Directors were of opinion that if it were not for this mishap they would have had some thousands of yards of cloth made and finished before the end of 1867. On the 8th April the Directors informed the late Commissioner that the machinery was in

1867. On the 8th April the Directors informed the late Commissioner that the machinery was in full working order, and that they had 3,000 yards of cloth ready for the market.

On the 15th idem a further letter was received, requesting to be informed if the Government desired to have the cloth inspected before the same was sold, as the Company proposed to place 4,000 yards in the market shortly. This inquiry was made, to use the words of the Secretary, "with respect to the vote of £1,500 in this Company's favour for first manufacture." An answer was sent in reply based upon a minute of the Hon. Mr. Francis—copy attached.

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Shortly after, the Directors intimated that they had the required quantity of cloth ready for inspection, and a Board was nominated, whose report is attached.