APPENDIX.

No. 1.

Nelson Cloth Manufactory, 10th August, 1870. SIR.-

We received your circular of the 30th July, requesting information in connection with the branch of native industry we follow, namely, cloth manufacturing.

We are willing to give the desired information in as far as we can, and trust the following will

meet the wishes of your Committee:—

1. We will give you a sketch of the history of cloth manufacturing in New Zealand, as far as we are, or have been, connected with it. This will embrace the rise, progress, and present position of the trade.

In or about the year 1864 the "Nelson Cloth Factory" was established in Bridge Street, Nelson, by Mr. Webley, senior. Having no regular employment, and also having been connected with this business in England, he naturally turned his thoughts and attention to the business alluded to, and, by dint of perseverance and carefulness, managed to import to New Zealand the following small shipment of machinery, with which he made a commencement: one carding machine, fittings for a fifty-spindle spinning machine, and fittings for two looms. With this a small beginning was made. This may be called the rise of this trade in New Zealand. The machinery was driven by water power; the number of persons employed in this pioneer establishment was six; the quantity of cloth produced was, on an

average, 300 yards per month; and the quality was then acknowledged to be very good.

About 1867 another small shipment of machinery was imported, making a total of 132 spindles, two carding machines, and two broad looms. With this machinery Messrs. Webley and Sons have managed, by dint of industry and hard labour, to produce 800 yards of cloth per month.

persons were employed at this time: here, then, was a little progress.

Finding, however, that our machinery was not the thing for producing an article suitable for summer wear, and also that we had more demand for Nelson cloth than we could supply, we concluded to send for another shipment of machinery of the best make, with all the latest improvements, so that we might be placed in a position to compete, as far as possible, with other markets in quality and cost. This arrived in April, 1870. We have not yet started this machinery, having been delayed by a variety of unforeseen causes; we cannot, therefore, state exactly what additional quantity we shall be able to produce, but we think 2,000 yards per month will be an approximate amount. This, we trust, will be a far better article, suitable for all seasons of the year, and suitable for all classes. This new machinery

comprises a complete set of carding machines, and also spinning machines containing 400 spindles; this, with our old machinery, will give us a total of 530 spindles. This is the present position of our trade, as far as appliances go. We may state that, with these appliances, we hope to be able to execute any orders we may be favoured with punctually and at reasonable prices.

2. You wish us to specify particularly the impediments which may at any time have retarded its progress. Well, Sir, we must confess the chief obstacle in the way has been the want of capital: not having received any pecuniary assistance from either General or Provincial Governments, and not having head the adventages of large capitalists, we have had to grope our way slowly along. Tourstless having had the advantages of large capitalists, we have had to grope our way slowly along. Doubtless, had we but had the means to have developed this trade to a much greater extent, it would have been much better for the country at large. The want of capital, we repeat, then, has been the chief impedimuch better for the country at large. The want of capital, we repeat, then, has been the chief impediment to a more successful development of this trade. Another thing which we have reason to believe will prove an impediment to us in the future, is the importation and sale of spurious goods under the name of "Nelson cloth." We are not aware of any steps having been taken by our Parliament to secure colonial industry from such an imposition as this, but we trust you will consider the matter, and legislate accordingly. Another disadvantage we labour under is the high rate of wages in the This is a great detriment to us in competing with the home markets: labour being so cheap there, they are able to send the article out to the colonies cheaper than we can yet make it. This we trust soon to obviate. Under this head we may answer your query, "Facility, or otherwise, experienced in obtaining the skilled labour required in your business." Well, Sir, we find great difficulty at present in obtaining experienced workmen; so much so, that we have had to obtain them from England. Still, a great portion of the various processes in our trade can be accomplished by comparatively unskilled

a great portion of the various processes in our trade can be accomplished by comparatively unskilled labour; in fact, the majority of those now employed are persons taught by ourselves.

3. "Suitableness, or otherwise, to the circumstances of the Colony." This head we can soon dispose of. There is no doubt that what we want at the present time throughout the Colony is employment for the unemployed. To obtain this there must be something new started from what we have hitherto had. Our gold fields will not last for ever. We must, therefore, turn our attention to manufacturing those articles which are the common necessaries of life. What more so than clothing, next to the food we eat? Under this head we will answer another of your queries, namely, "The raw material employed, whence procured, capability of the Colony to produce the same." Out of the answer to this we draw one of the chief arguments in favour of the suitableness of our trade to the circumstances of this Colony. It is a fact patent to all that New Zealand is a splendid wool-growing country, capable of producing thousands of bales annually, which is sent to foreign markets, and frequently, especially so of late, to a great disadvantage to the grower on account of the crowded state of the markets; what we want, then, is more extensive manufactories here, so as to use the raw material where grown, and thus keep labour and money in the place. The suitableness of this

trade to the Colony cannot be disputed.