

Will you please return the different plans to me after you have made the necessary use of them. Any further information required, so far as it lies in my power, I will be happy to communicate.  
I have, &c.,  
ED. MCG LASHAN.

The Chairman of Joint Committee on Colonial Industries.

No. 5.

Oamaru, 10th August, 1870.

SIR,—

In answer to your circular respecting the rise, progress, and present position of agricultural implement and machine making in New Zealand, so far as we are aware, there is only a very small portion of agricultural implements and machines made in New Zealand at the present time, but in our opinion seven-eighths of all implements and machines imported could be made in New Zealand.

So far as our own district is concerned, up till three years ago, at which time we commenced to manufacture such ourselves, we imported all the implements and machines we required. About that time we commenced to manufacture ploughs and reaping machines, and the first year turned out implements to the value of, say, £1,650; next year to the value of, say, £3,100; and this present year we expect to nearly double the last figures.

Regarding the impediments to a wide extension of our business, skilled labour such as we require, except in rare instances, is not to be had in the Colony. Of the common or average skilled labour we think there is quite sufficient for the present wants of the Colony.

So much have we found the want of first-class skilled labour that some months ago we sent specially to the home country for two first-class hands, and have since sent for another. One difficulty to our getting out the men we desire, is, we stipulate that they pay their own passage, we guaranteeing them twelve months' constant employment, at 12s. per day of eight hours.

The high price of coal is a very great drawback. Three pounds per ton we pay for them in Oamaru, while the home makers we were connected with get their coal at from 5s. to 10s. per ton.

The very high shipping and landing charges also tells heavily against us, especially as the bulk of our raw material are heavy for their money value, for instance, coke, costing £2 10s. per ton in Dunedin, costs us £2 additional landed in Oamaru.

Various parts of agricultural implements require to be imported from home, and which parts are not made by home implement makers but by houses who make the manufacture of such parts a special branch, such as steel makers and makers of malleable iron castings.

The duty on these articles is, in some instances, very heavy, and is a burden only on colonial makers, as the home makers get their finished machines, and such etceteras as they choose to send with them, admitted duty free; and so much do we feel this as against us, that we have already wrote Messrs Fox, Macandrew, Holmes, and Graham on the matter.

Iron, in our opinion, cannot be manufactured to pay in New Zealand for years to come.

The hardwood we use is got from Sydney and Hobart Town, but we believe there is better timber in New Zealand, but which is not regularly in the market, and not kept in stock by timber merchants; we refer to goai and ironwood.

Coal we have already dealt with, but we may further remark that Grey River coal is nearly if not quite equal, for our purposes, to Newcastle coal, but has the same objection,—too high in price.

As to the capability of extending our business as a colonial industry, we do not think that one-tenth part of the implements and machines used are made in New Zealand, Oamaru district excepted; while, as we have already stated, seven-eighths of all implements and machines used could be made. This last season we have sent a great many implements and machines of our own make into Canterbury, and have no doubt, if there were good roads, and bridges over the different rivers, and better shipping accommodation, we could nearly double our present business in that Province alone.

At present we employ about £4,000 in the business, but could employ double the amount with advantage.

For the last twelve months we have paid £2,500 in wages; the average number of hands in our employ during that time being twenty men and boys.

The Chairman of Joint Committee on Colonial Industries.

We are, &c.,  
REID AND GRAY.

No. 6.

Dunedin, 15th August, 1870.

SIR,—

I beg to submit to you the following particulars, in reply to yours of 30th July ultimo:—

Very little can be said about milling, as it has gradually increased beyond the requirements of this Province—Otago.

Since I commenced, in 1859, additional mills have been erected, and are now capable of producing flour, &c., greatly beyond the requisite quantity. The chief reason of this is, the owners expected there would be a good demand on the West Coast; but this trade has almost entirely fallen off, as the Otago millers cannot produce so dry a flour as that sent from South Australia and California; the climate of which places being so much warmer, the flour is therefore drier, and takes a good deal more water than does the flour of this Province, and consequently gives a few more loaves per sack, which enables the baker to pay from £1 to £2 per ton more for the foreign article. On account of being shut out from the West Coast trade, the mills here are scarcely kept going half time.

The principal grain grown in the Province is wheat, and, in favourable seasons, a very fair sample is produced, which makes a first-class, strong flour, without the aid of foreign or interprovincial wheats for mixture; it, however, is not equal to South Australian or Californian, as before stated, nor is it so profitable, as a bushel of either of the latter will produce more flour than our wheat.