

3. Have you considered any means by which machinery of this class could be admitted free, say by notice given to the Customs?—That is, before arrival?

4. Before arrival and after the order given for it?—I think the onus of proof should in every case be laid on the importer; if he cannot show that it is a patent machine he should not be exempt.

5. But there is a good deal of delicate machinery which is not patented; such machinery is often required to enable the manufacturer in the colony to complete work which he cannot finish without such machinery: do you not think anything could be done to help such a person?—No, not so long as machinery generally is dutiable.

6. That means that an attempt would be made to strike off duty from all machinery?—Yes; there would be a conflict of opinion as to what could and what could not be admitted free.

7. But could there be any doubt about that delicate machinery required in some manufactures, such as the manufacture of woollen fabrics?—I have been always of opinion that machinery of that kind ought to be free; but my opinion on such a point is not of much value.

8. Can you suggest anything by which the difficulty might be overcome?—The question would be how you would describe it. In certain kinds of machinery connected with the wool manufacture, such as the carding-machine, the spinning-machine, &c., if accurately described there would be no difficulty; all other machinery except that specially described would be of course dutiable.

9. Could that not be done in regard to other industries? For instance, there is a person in Dunedin who proposes to establish a manufacture for making paper of a superior kind. For that business, I am informed, machinery of a very delicate sort, that cannot be made in the colony, is required. If industries are to be encouraged in the colony we should not throw any impediment in the way of their being successfully carried on. The most delicate machinery is required in some branches. This delicate machinery has to be produced in a separate factory and on a large scale. It seems to the Committee, and it seems to me, that if some means could be devised under which machinery of this class, which would have the effect either of initiating new industries or perfecting established manufactures, could be admitted free, that much of the difficulty complained of could be met, more especially seeing that when such machinery is at all of a complicated character it is not likely to be made, in the whole or in part, in the colonies. Where such machinery would have the effect of initiating new industries it should, I think, be free of duty. I feel the necessity of taking away everything in the shape of impediments to industries and manufactures. To put a tax on the means of initiating new industries or perfecting manufactures is the sure way of destroying or hindering them. How would we stand affected if the duty on all machinery of a complicated character not manufactured in the colony were removed? What would be the loss to the revenue?—The duty on machinery last year (machinery not otherwise described) was £2,627; £13,000 for exempted machinery.

10. Does that include small machinery, such as boring-machines?—Anything in the shape of a simple tool would be free.

11. *Mr. Pinkerton.*] Cement-grinding machines are not free—quartz-grinding machinery is admissible free?—Yes, all kinds of machinery for gold-mining.

12. Bootmaking machinery: duty is paid on that?—Yes.

13. *The Chairman.*] I do feel that the tax on industry is immensely great?—I am afraid that almost any suggestion is vague without a specific direction. Two thousand six hundred pounds is so small that it might almost be allowed to go altogether.

14. *Mr. Pinkerton.*] I would refer to a case in Dunedin where a cement-grinding machine was imported. If it had been imported by a gold-mining company, or sold by them, it would have come in free?—The importer came to me and satisfied me that it was a quartz-grinding machine, although they could use it for grinding cement. I considered that it was admissible free as machinery for mining purposes. The Solicitor-General agreed that the clause in the Act covered machinery constructed for mining purposes. It need not be essentially mining machinery imported for the purpose, but in this case the importer's machine was admitted free. In consequence of a decision by Mr. Justice Williams, several things have been admitted.

15. *The Chairman.*] Are mining-tubs admitted free?—Yes; that was the very pith of Judge Williams's decision.

16. With regard to the leather duty: there is one kind of leather of a very inferior class; it is called "splits," composed of hides of various sorts. It is said in the evidence adduced here that the use of this inferior article is lowering the standard of work of the trade here and throughout the colony; that the consumer is imposed upon; that the trade itself cannot compete, because it is almost a refuse article in America—they must find a market for it, and they send it here: an increase of duty on that would be perfectly justifiable? It ought to be increased to sixpence?—I have spoken to the master bootmakers on that point: they are against any increase.

17. How would it affect them?—It would increase the cost of making boots and shoes.

18. If they used a better material the public would get a better article: how could it injure them, for the consumer would have to pay it?—Yes. The leather items have given us a great deal of trouble in administration.

19. It is stated that there has been a large increase in the import of boots and shoes since the *ad valorem* duty has been introduced?—I believe that is so. The rate we had before was supposed to be heavy on workmen's boots, and to be exceedingly light on other kinds of goods.

20. Would you think it advisable to increase the duty on this inferior kind of American leather?—It ought to be increased. I do not know whether sixpence would be the proper rate, but I would be inclined to go to fourpence. But, if the object is to discourage "splits" being introduced into the colony, it is little matter what duty you put on. The importation of boots and shoes has increased since the year the *ad valorem* duty was imposed (1888), but the value imported in 1891—namely, £138,852, does not come up to the value in 1887—namely, £159,275. The average of five