

first place, because it is a vegetable oil, and, secondly, because there are two small cocoanut-oil mills in this colony. On the latter ground I would not exempt it from duty, because the people engaged in it have gone to considerable expense in plant. Ground-nut oil is a fine oil, and when drawn off is quite fit for culinary purposes; but the "settlings" is only fit for soapmaking.

379. Are there any persons in the colony who would manufacture this oil?—Not one. Candle-nut oil is free, but I am not quite certain whether that and palm-kernel oil are not the same.

380. Then the palm-nut is the candle-nut?—I think so. Candle-nut oil is free, and, being a vegetable oil, should be exempt.

381. It is specified, and therefore exempt. Should not all the others that are not specified come under the general heading of vegetable oils?—Terebene is imported for perfuming my best soap, which I sell at £25 per ton. Cleaver uses it for the same purpose. I imported it thinking it was free of duty, but it has been subject to the usual tariff. 1cwt. lasts us six months.

382. *Mr. Hutchison.*] So it is immaterial what the duty is?—It is only by watching every opportunity for saving that people can get a living. I contend it is an essential oil. It is a distillate of turpentine.

383. How many factories are there in New Zealand?—I think, about sixteen. I ask that terebene should be free, and that ground-nut oil and palm-nut oil, now bearing 6d. a gallon duty, should be free.

384. *The Chairman.*] Supposing we were to see our way to recommend in that direction, is there any way in which the Customs could distinguish between these "settlings" and the refined oil that can be used for other purposes?—A very safe basis would be to call palm-nut oil and cotton-seed oil "foots." That term applies to all these oils.

385. Have you any idea as to the quantity of goods these factories could turn out—supposing there are sixteen factories, and they are all of an average capacity with your own?—That is a wrong basis to take, because of the sixteen makers there are perhaps only four or five of the same extent as mine.

386. Can you give us an idea of the quantity likely to be affected?—At present palm-kernel oil, cotton-seed oil, and ground-nut oil are hardly used by any soapmaker in the colony. The principal ingredients are resin, tallow, soda, and water; but of late years the introduction of "Sunlight" soap has revolutionised the trade. That soap is made entirely from vegetable oil. So far no one in the colony makes soap on the same lines as this, but I find I shall be compelled to make soap to compete with the "Sunlight." To do so certain vegetable oils are required which form the component parts.

387. What quantity of these several oils would you import supposing they were free?—Placing my present sales at 40 tons of soap per month, in those 40 tons there would be nearly 5 tons of oils, or 60 tons a year.

388. How many gallons go to the ton?—You might reckon twelve to the hundredweight.

388A. Fifteen thousand gallons in the year, the duty on which would be £375 10s.?—Yes.

389. There would be no danger of any person using the oil for other purposes?—No; if it were brought in under the name of "oil foots."

390. *Mr. Hutchison.*] Your suggestion would not get rid of the danger of the Customs being cheated by calling it "foots"?—If people found they were free they might bring it in as cotton-seed oil, but the difference in the tariff would be so great between "foots" and oil that they would import it as "foots." The "foots" are pressed with hydraulic presses, and treated with acids, and it is absurd to think that the article could be used for any other purpose.

391. To meet your views would practically entail a loss to the revenue. Would that be compensated for by increased employment?—Yes; I would require to employ more men.

392. *Mr. Stevens.*] You have six now, and you would employ eight—about a half more?—We have at present six hands turning out 40 tons of soap per month, and we require as much labour, especially boy-labour, to turn out 10 tons of that soap, because after the soap is made it has to be made up, stamped, wrapped in printed papers, &c.

393. *The Chairman.*] It would practically increase labour by 25 per cent.?—Yes; and not only that, but I am at present completing a contract with a Dunedin firm for boxes, which will amount to about £40.

394. *Mr. Hutchison.*] Is not the 5s. duty on imported soap sufficient protection?—That was done to give assistance to local soapmakers; but the soapmaker never thinks of it, and it never enters into his dreams by night or day. The makers here are perfectly competent to make soap without the 5s. a ton. We get no benefit from the duty. He has to pay so much for his raw material, and he finds then that, with the cost of the labour, it means only a bare living. If I were the only soapmaker in the colony I would put that 5s. into my pocket; but, with the other soapmakers in the colony, competition comes in, and it becomes a question of who can make the soap cheaply. We never think of the duty, and it might just as well not be in existence at all.

395. *Mr. McGowan.*] Do not the makers combine in the soap trade, as they do in the candle trade?—I admit the latter do, very much to the disgust of the colony.

396. *Mr. Hutchison.*] There is no syndicate?—Yes; I am a shareholder in it, and, in fact, started it.

397. Do these oils really improve the soap?—They do not.

398. Why do you want us to encourage an article from which no improvement is to be got?—There is an enormous demand for these soaps in the colony. People here are not so thrifty as the Belgians or Scotch. People want the "Sunlight" soap, and it sells simply because it is advertised. Advertising has brought this firm into existence. When I left Scotland I had never heard of them; now they are the biggest firm in the world.

399. Is there a duty on this caustic soda?—That is free, and also resin.

400. Does the resin come from other places than America?—Only America. During the American war we drew our supplies from France, but it did not compare favourably with the American, which has a peculiar fragrant odour.

401. *Mr. McGowan.*] Why was it that the locally-made soda crystals at the first (they are