

152. *Mr. Houston.*] Do you consider, as a shipbuilder, and one engaged in the industry for many years, that if any severe restrictions are placed on oil-engines they will, to a great extent, cripple the industry you are engaged in?—They certainly would.

153. At the present time most of your vessels are built for oil-engines?—We have built four this year for oil-engines.

154. Have you any orders on hand?—There are two just now, and two have been put off.

155. Do you think the restrictions would have the effect of crippling your industry as a shipbuilder?—I am quite sure of it.

156. How many hands do you employ?—Sixty just now.

157. Do you consider that the advent of the auxiliary oil-engines has been a great benefit to the settlers in the extreme north?—Very great benefit indeed.

158. Do you consider it has an advantage over the ordinary sailing-vessels that visited parts in the north where steamers could not go?—Undoubtedly. It has given them a steady run.

159. And do you consider the advent of the auxiliary engines on sailing-vessels has been the means of increasing settlement and making some of those settlements more prosperous than they were some years ago?—Well, it would appear so. It is difficult to say, because there are so many causes.

160. I mean, has not this been an auxiliary to the advancement of the settlements?—I can say there had been a large increase in trade since they came in.

161. *Mr. Carson.*] Do I understand you to say you think the time-service should not be opposed, because one man might learn more about oil-engines in one year than another man in three years?—Yes.

162. Following that up, do you think there should be a practical examination?—Yes. A man should prove that he has skill to use the tools, and engineering skill, before he is allowed to take charge.

163. In other words, you think it is not necessary that he should serve three years in a shop?—I think a man should know enough not to use a cold-chisel instead of a wrench.

164. *Mr. McLean.*] Do you know of any accidents that have happened to any of these oil-engines?—None, except with the fires. Nothing causing danger to life and limb.

165. No driving ashore or engines blowing up, or anything of that sort?—No.

166. *Mr. Glasgow.*] You said that the fifteen-horse power engine in the "Moana" was not sufficient?—Eighteen-horse power. The "Toroa" has fifty.

167. That would drive her at the rate of seven knots an hour?—No; seven miles an hour.

168. Does not that go beyond the idea of an auxiliary power?—That is only under favourable circumstances, in smooth waters.

169. But the tendency is to put larger engines into sailing-vessels?—Yes, as large as you can get them, but you are restricted inside by the room they occupy.

169A. You said they should be in charge of a man with some sort of a permit or certificate?—Yes. I certainly desire a certificate to be issued, so that when we pay a man we shall have some guarantee that he can do the work.

THURSDAY, 24TH AUGUST, 1899.

STATEMENT by Mr. T. M. LANE.

There are several points touched by Mr. Duncan to which I should like to call attention:—

(1.) "Injury to steamers by cutting freights." This is no more than the ordinary operation of the law of the survival of the fittest, and will soon adjust itself by the ruin of the oil-engine boats if they are, as stated, so very much more costly than steamers. In the meantime the public get the benefit of cheap freights.

(2.) "Vessels now running without inspection." The fact that numbers of boats fitted with oil-engines are now running without inspection proves that the present Inspectors are either unable to overtake the work or they realise that the inspection is unreasonable in the case of boats of small tonnage.

(3.) "Survey of auxiliary vessels." Under existing arrangements auxiliary vessels, whilst fully equipped as sailing ships, are surveyed as steamships and required to pay the same fees as steamers of the same tonnage, although they have not probably an eighth of the power, and not a third of the work for the Inspectors, as there is no boiler in the case of oil-engines. Moreover, they are required to carry their boats under davits and provide other equipment which is a hindrance to the efficient working of small sailing-vessels. Then, again, the Inspector demands that he shall sight the bottom, though he may have little or no knowledge of the construction of wooden ships. In the case of the "Aotea," now under inspection at Auckland, the Inspectors required that the shaft should be drawn for inspection, and to do this, the engine has been lifted clear out of the way, at great expense, notwithstanding the fact that when we applied to the Inspector before the engine was put in, we were told that there were no regulations applying to these engines, and that the authorities did not recognise them in any way.

(4.) "Tonnage-limit to free use." I am informed by Mr. Leitz, of Dunedin, who represents the Sintz Engine Company, that naphtha is delivered into the tanks on board the boats on the Eastern States of America at 5 cents a gallon; therefore it is reasonable to infer that most of the vessels will have full-power engines, and not be fully equipped as sailing-vessels, and the 15-ton limit would probably mean about 40 horse-power.

(5.) With reference to the question of wages paid to drivers of oil-engines, I may say that £8 is only paid on vessels of small power. The "Brothers," forty-horse power, pays £12, and the owners of the "Toroa" wired me in Auckland offering £15 for a competent man.