

Memorandum by Mr. N. Reid re Candle Industry. (Supplementary to evidence given before Parliamentary Committee.)

The hands employed in the candle department of the four companies total over a hundred (exclusive of carters). A large number of the men have spent their lives in this industry, and have become expert workmen holding responsible positions and receiving good wages. If the industry is starved out of existence these men will be robbed of their trade, or will have to seek fresh fields.

The manufacturing-capacity of the four companies is estimated to be about 160,000 boxes (4,000,000 lb. weight) per annum. If working to this maximum fully double the number of hands would be employed, whilst the following material, &c., would be required, all of which would be obtained from the sawmillers, boxmakers, and papermakers, &c., of this colony: 160,000 boxes, 4,000,000 packets, 4,000,000 labels, 1,500 tons tallow; in addition to an increased consumption of coal, chemicals, &c.

Price's Candle Company, Palmer and Co., and other makers quote $\frac{1}{4}$ d. per pound less for export to New Zealand than they quote to their English customers, thus proving that this colony is being used as a dumping-ground for surplus stocks.

A very general argument against protection for the candle industry is that we have an advantage over the English maker in that we can buy tallow about £5 per ton cheaper, but this advantage is more than equalised by the fact that the English maker obtains a very much higher price than the New Zealand maker for his by-products—viz., crude glycerine and olein oil, as the cost of shipping these products to London is about £7 per ton. Loss through leakage is also considerable. Any advantage which might accrue from the above applies only to pure stearine candles, and I doubt if 1 per cent. of the candles imported are pure stearine. If the importation of paraffin candles could be prohibited, then I think we could compete with all comers in stearine candles.

Wellington, 31st October, 1904.

N. REID.

APPENDIX.

Nicholas Reid, Wellington.

Auckland, 27th October, 1904.

My board requests you to present our case before parliamentary Committee. Candle industry almost ruined by the importations from Rangoon and America. In this district Rangoon competition most severe. Unless protected by increase of duty on candles or reduction import duty on wax, cannot hope for business to revive.

THOMAS BELL,

Manager, Union Oil, Soap, and Candle Company (Limited).

N. Reid (W. and G. Turnbull and Co., Wellington).

Dunedin, 27th October, 1904.

PLEASE represent us at meeting to-day. We are strongly of opinion that to enable candle-manufacturers to hold their own against imported candles duty should be restored to 2d. per pound. If we are compelled to reduce present prices the result will undoubtedly be disastrous to candle-manufacturers. In further proof of the present condition, we have stopped manufacturing candles since the 1st instant.

E. HERBERT,

Chairman, McLeod Bros. (Limited).

N. Reid (Turnbull and Co., Wellington).

Lyttelton, 26th October, 1904.

KINDLY represent Zealandia Candle Company at meeting to-morrow. Unless something done by Parliament industry doomed.

F. BEVERLEY,

Chairman, Zealandia Candle Company.

N. Reid (W. and G. Turnbull and Co., Wellington).

Dunedin, 27th October, 1904.

WE have forty-four hands in our candle department.

MCLEOD BROS.

N. Reid (Turnbull and Co., Wellington).

Lyttelton, 27th October, 1904.

EIGHT hands employed candle department, without carters.

BEVERLEY.

Nicholas Reid, Wellington.

Auckland, 28th October, 1904.

FIFTY-SIX hands employed at factory, of whom candle department employs about half, add to these town staff (three) employed in distribution, &c. Company paid Government railage last year, eleven hundred twenty-eight pounds; used local coal, five hundred seventy-four pounds; timber for packages, sixteen hundred ninety-two pounds.

UNION OIL, SOAP, AND CANDLE COMPANY.

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