

78. It would if Fallon's contract were finished?—To let the whole forest it could be brought out cheaper than by cutting it up. But, taking the whole of the Kaihu endowment, and bringing it to the junction of the Waima and Mangatu, I consider that that timber could be delivered to the water as cheap as any timber in the Wairoa.

79. What would be the estimated cost of bringing it that distance?—My idea was to dam the Waima and bring that large block of timber down that way, and put it on the trucks at the bridge: that was one scheme. Another scheme I had for dealing with the kauri was, not to bring it over the railway in logs at all, but simply to put up a mill and cut it up there: that was the way I had intended to deal with it had I been successful in forming a company. Now, I consider that that kauri could be brought down and loaded on the trucks for 1s. 6d. per 100ft. all over at Waima Junction.

80. How much do you estimate is in the endowment, and within that portion the company would get, supposing the railway were completed?—An outside estimate was fifty millions.

81. Do you reckon the 1s. 6d. for hauling them?—It is for bringing them to the dam and boom at the Waima. Our idea was to let a good big contract here for this large bush, and then we had our arrangements made to let the whole of the timber to be brought to that point for 1s. 6d. per 100ft.; then it was a question whether we should erect a mill and bring it down in the sawn state.

82. *Mr. Monk.*] Then you decided it was safe to put timber there?—Yes: we should have put a dam, and a boom at the end of the dam where the logs were to stop. I could get that block of timber out and put into the dam and booms for 1s. 6d.

83. I understand, then, that it would never pay to haul it down by bullocks to the station?—I do not think it would—the country is too broken.

84. You know Nathan's store: suppose the line were continued away up to the flat place parallel with the bush, then it could be brought that way by Nathan's store?—I would not make such a contract if the water-carriage was not feasible. I would bullock-tram it to the terminus of the railway.

85. Then that would supersede the railway or a tram?—It would be a continuation of the railway.

86. *Mr. Macarthur.*] There is no water there: how do you propose to get the timber across the ridge that runs along there?—There is a creek there.

87. But the ground slopes away from the Waima?—Yes, there is a creek in which you could bring it down to the Waima.

88. *The Chairman.*] Could you say approximately what is the cost of bringing the timber on the Waimata* back down the Kaihu Stream independent of the railway? Suppose you bring the timber down from the Awakino, as you are bringing it down now, what is the cost by the time you get to Dargaville with it?—The last contract that was let to bring it to the booms was about 2s. 4d.; it is about 2s. 6d. by the time it gets to the mills.

89. Is there a large quantity of timber up there at the two-and-fourpenny rate now?—It is nearly worked out now.

90. In any case, apparently, the railway and bringing it out in the manner you say, it would cost at the very most about 2s. 6d. by the time it was here, and 3s. for taking it down to the mill?—Yes. The next good big block of timber that is accessible is the school endowment.

91. Where is that?—Just about Mangarata. There is a good block of timber, but it will be a question what is to be paid for royalty.

92. Is there not some difference between timber trucked and brought down by railway and that brought by water. We have had some evidence that there would be a difference of 30 per cent. You see in one instance it could be brought straight to the mills as it is wanted, and in the other it will have to remain in the water?—Yes; when it remains for some time in the water it becomes perforated with a little fly which eats into the bark and worm-holes it. I do not think there is any advantage in bringing it straight to the mills, as you say, from the bush, because in the other case you can put it into the tidal water as you want it—say ten logs to-day and twenty to-morrow.

93. *Mr. Monk.*] It has first to pass to the Waima and then to the Mangatu. You could only bring it down in freshes, for which you would have to wait; you could not bring it down in the ordinary current?—We would put two or three dams in the Waima and drive it that way; that is what our idea was. I differ with you in regard to freshes.

94. *The Chairman.*] And in your plan you would not deteriorate the value of the timber in any way?—No.

95. *Mr. Monk.*] What is the shortest time in which you have known logs to be perforated by the beetle?—As you know, very much depends upon the season of the year in which you fell it. The Awakino timber has been perforated within a month or six weeks that I know of. It may be that up at the Awakino the beetles are very bad: now, Otira was not so bad. The locality seems to make a difference in those beetles: whether they are thinner in the high land or not I do not know.

96. Of course, if you think you would get it down by driving it without its being beetled, you are right, but my experience is that the beetle would get at it before you got it away. By putting in a considerable number of logs you would carry away the dam?—I would not put in a considerable number.

97. That would carry the dams and everything with it?—I think we could get a hundred logs in.

98. You could not carry on a storing process: if you did you would run the risk of beetling?—I have logs down here in this boom that are not beetled. Our idea was to cut up the timber up there, and not to cut it here at all. By doing it that way we could, of course, run it into the mill

* The Waimata Block would be brought down cheaper by tram to the tidal water of the Kaihu Stream and floating to the mills.