

387. Do you know whether any others are being put up?—Yes, there is one in course of erection.

388. Where?—At my own place at Inchbonnie.

389. When do you expect that to be working?—About the beginning of May.

390. Have you calculated as far as you can what the gross amount of traffic will be given to the railway by this new mill of yours?—Yes. For carriage of timber alone I calculate between £1,200 and £1,500 per annum. It is easily calculated. It is 1s. 3d. per 100 ft. from the mill, f.o.b. in Greymouth, and the sawmillers are cutting my timber at a royalty, and they are bound to cut a certain number of feet per annum.

391. Are you allowing for the fact that part of the railway belongs to the Government—or, at least, was constructed by it up to Brunner?—No, I am not allowing for that; that was the total amount from Inchbonnie to Greymouth.

392. Do you know the timber country that will be served by this railway?—Yes, I know it fairly well.

393. Have you made such an examination of the timber country as enables you to give any reasonable idea of the number of mills which may reasonably be expected to be put up within the next ten years, say?—Yes, I think so. I have not been through the forest minutely, but I have been up in the high mountain-ranges with a good binocular, and have looked at the country with the view of seeing what the future development will be.

394. Will you describe where the forests lie?—Going from the railway to Lake Brunner westward the timber would be gathered in from about the Hohuna, close to the Greenstone; and there is a long tract of level and undulating country between Lake Brunner and the head of the New River. The New River, when it gets to the top, spreads out, and a lot of the timber between those forks would be taken over this level and undulating country to the railway-line. Then, on the eastern side of Lake Brunner timber would be gathered in to a distance beyond Bell Hill to the watershed of the Ahaura.

395. Does that exhaust it?—Practically—that is, taking the widest points.

396. Have you been watching the timber trade of late?—Yes.

397. Looking at these areas and the development of the timber trade, have you thought out how many extra mills, in addition to the six you have mentioned, may reasonably be expected to be at work up there within the next ten years?—Yes; I think that the mills are likely to be doubled within the next ten years, but I think the future developments will be more, perhaps, in very big mills instead of them doubling, because we are going to approach the Government presently to ascertain the contour of the country and make reserves for sawmill-sites on the railway, and probably we might then ask the Government to assist. Of course, there is going to be a big system of tramways to bring timber into the railway-line, and we are asking the Government to assist with the trunk line.

398. But assuming that the line stands as it does, with its terminus at Jackson's?—Yes, but there must be a big system of tramways.

399. I am asking you to give the information on the assumption that the Government does no further work in extending the line or making branches to it; it must be entirely left to private means?—Yes, private means will do it if the Government does not.

400. And you think the number of mills—six—will be doubled within the next ten years?—Yes.

401. And the traffic of timber over the line will be doubled to what it will be when your mill is going?—Yes.

402. Can you give me an idea as to how much each of these mills, on the average, would be likely to contribute in the gross to the railway?—The mill at my own place will put out about 2,000,000 ft. per annum—that is the minimum. Some of the mills will not put out quite so much as that.

403. Allowing that they do not, what average would you fix for each of the mills?—I think the average would go close on 2,000,000 ft. per annum.

404. That would be about from £1,200 to £1,500 for each mill: you think that is a fair average estimate?—Yes.

405. If your mill will give from £1,200 to £1,500 a year, those mills that are nearer Greymouth will give less?—Yes; the average would probably be less, if you will allow me to correct myself.

406. Could you give us some idea of what the amount, on the average, would be from each of the twelve mills—the gross return to the railway?—I should say about £1,000 each per annum.

407. That would be about £12,000 per annum these mills would give?—Yes.

408. Allowing these mills are working, what number of years do you think it would reasonably take to cut out these forests?—I could only give a rough approximation, but I should think the mills would be working for the next fifty or sixty years.

409. I take it that during that time, as the forests became scarcer and the miller had to go further for his timber, prices would be rising?—We expect so.

410. So with an increased price you could afford to go further from the railway to get the timber?—Yes, we anticipate that.

TUESDAY, 12TH MARCH, 1901.

HENRY GEORGE HANKIN examined on oath.

411. *The Chairman.*] What is your occupation?—I am a mining agent.

412. Residing at?—Reefton.

413. *Dr. Findlay.*] How long have you been resident in Reefton?—About thirty years.