

823. As to these 1,067 applications for land, can you tell me under what tenure they were?—No, unless I again refer to application-book.

824. Does this apply to applications for land to cut timber?—In a few instances they are included.

825. If the line were continued to Christchurch, can you tell me what would be the freight by rail, say, from Moana to Christchurch, as compared with freight by sea?—I specially asked Mr. Ronayne to tell me what would be a remunerative rate for coal, assuming the line were continued, and he gave me 7s. 6d. as a remunerative rate; and taking coal at 7s. 6d. and timber at 16s. per ton, it would be equal to 3s. 6d. per 100 ft.

826. What class of timber do you mean?—Red- and white-pine. I reckon that 447 ft. superficial goes to the ton of timber—that is, red-pine; fresh cut white-pine is not so heavy.

827. Have you got any idea of the weight per cubic foot of these timbers when they are green?—No, but we have had numbers of trucks weighed for that special purpose, and it weighs 447 superficial feet to the ton. Fresh cut is, of course, green timber.

828. There are standard weights allowed by the Railway Department for carrying timbers?—It varies from 420 odd feet to 480 ft. to the ton—the mean of that being 447 ft.

829. Say timber is carried to Christchurch at 16s. per ton—according to your estimate that would be 3s. 6d. per 100 ft.: compared with railway freight, say, from Moana to Greymouth, then shipping it, and the freight from Lyttelton to Christchurch, which would you think the cheapest to send it, by rail or by sea?—By rail, certainly. In the first place, a great deal of timber would go from much nearer distances than Brunnerton, and there would be all the timber up the Jackson's line, which shortens the distance. Take 1s. per hundred as the first charge by rail to the seaport (Greymouth), and the freight as 2s. 9d. per hundred to Lyttelton, and then the railage from Lyttelton to Christchurch, including wharfage, which I think is 1s. 2d.: but I am not positive of the latter item.

830. So that from an economical point of view it would be practically 5s. by sea as against 3s. 6d. by rail if that timber is sent to Canterbury by rail ultimately?—And there would be an enormous saving where it was going south of Rolleston.

831. So that it is really a mistake to cut that timber at the present time?—It is a pity it should be selling at this low rate; a royalty of 6d. per hundred represents half the present rate of the average haulage.

832. Coming to this block of 100,000 acres, which at 1s. a hundred royalty you reckon would produce £600,000, can you tell us what was the B1 value of that block?—I know 20,000 acres was charged to the Midland Company at £1 per acre.

833. What was the B1 value of the remainder?—I could get you that information later; the majority of the balance would be 10s. per acre.

834. So that, at a royalty of 1s. per hundred, you estimate the value of this land at £6 an acre at the present time?—Yes; some of the land would be from £6 to £7 per acre.

835. Why did you not select that land for the company when you had the opportunity?—We selected two blocks.

836. Did you select 100,000 acres?—No, only 20,000 acres.

837. At your own estimate of from £6 to £7 an acre, would it not have paid the company to have selected that land?—They might have waited, and lost the sale of land that they selected elsewhere. I could not enter into the general course taken by the manager of the company. I was only an officer.

838. I understand you were selecting land for the company?—To represent to them the values, and the value of the timber, and in some measure the value of the land; but the completion of the line to Canterbury would have made these areas extremely valuable.

839. You have told us that the whole of this block of 100,000 acres is within four or five miles of the constructed railway?—Yes.

840. *Mr. Hudson.*] The company had power to charge the same rates—*plus* 25 per cent.—as were chargeable on the Wellington—Masterton Railway: can you tell me why these low rates were fixed by the company as compared with the rates they had power to charge?—To induce traffic; to compete with the southern lines. The Southland timber merchants were sending timber to Ashburton, so that they were really trespassing on country that the company anticipated they would have to supply.

841. The fact of the matter is that you adopted low rates in consequence of outside competition?—Yes, and to obtain traffic.

842. You have stated that 6s. per 100 ft. is a fair return for the timber?—It leaves a profit. In the case of a well-managed mill 6s. per 100 ft. will pay, until they go beyond a certain limit.

843. You say that since 1891 90,000,000 ft. of timber has been produced, which, at 6s. per 100 ft., represents £270,000?—Yes.

844. Has that price, which I understand is the present price, prevailed during the whole of that period?—No; not as far as red- and white-pine are concerned, but there has been a much higher price for silver-pine.

845. Have you any idea what the timber was you spoke of as being sent to Port Pirie from Southland, and the price got for it?—It was to have been 11s. per 100 ft.

846. I mean f.o.b. at Port Pirie?—I can only say that I visited Southland several times, and Mr. Guthrie, who was largely concerned in the mill business, had an idea that timber could be produced at 2s. 10d. per 100 ft., and I tried to convince him that those prices had ruined everybody who touched it, and it was quite fallacious that anything less than 3s. 6d. in the truck at the mill-sidings would pay.

847. Is it not a fact that they sold timber on the trucks for 3s. a 100 ft.?—It is very possible, but it was mere rubbish. Enormous quantities of timber were sent to Melbourne at the time of the boom that were not fit for shipment, and for a time did us great injury.