"The first price-lists and trade discounts of the association shall be as per attached printed lists, and shall remain in force until altered by the association in general meeting. Such first lists to come into force as from the 15th July, 1907.

"The cost of administration shall be borne in proportion to the number of mills owned and [or] controlled by each member by levies to be made quarterly. For this purpose each member will be

deemed to own or control at least one mill. "Dated this 14th day of July, 1907.

"P.p. SOUTHLAND SAWMILLING COMPANY.

P.p. New Zealand Pine Company (per Chas. Richardson).

THE SOUTHLAND TIMBER COMPANY (per J. HENSLEY).

Broad, Small, and Co.

N. A. NEIDERER.

McCallum and Co.

THOMSON, BRIDGER, AND CO. (LIMITED), (J. C. THOMSON, Director). HOGG AND CO. (LIMITED), (ALFRED M. HOGG, Director).

W. H. BRENT.

J. W. G. McIntyre.

More and Sons (Limited), (Thomas More, Manager).

H. F. Moss.

A. AND D. MACPHERSON.

TIMPANY BROS.

G. Howes."

- 10. Hon. the Chairman: The names you have just read are the signatures?—Yes.
- 11. There were therefore fifteen firms or companies who signed when the association was formed?

 —Yes.
- 12. Has there been any alteration in the association since that ?—From memory I think two others joined since that, but I am not quite sure, and I have taken a note of it. I do not think my evidence can be of any value to you in the matter of timber, as I am merely the scribe for the association.

13. Is your association prepared—that is, the millers—to submit all the information required by the Commission ?—I am quite sure that the millers are prepared to give all the information possible.

Any one who knows could give more reliable information than I can.

14. Mr. Field.] There is nothing to keep back?—No, nothing to keep back. In fact, I think they welcome the fullest inquiry.

15. Mr. Barber.] What penalties are there for breaches of the rules ?—None.

16. You said there was a price-list placed before the association ?—Yes.

17. Has there been any subsequent price-list since the association was formed ?—No, but the prices have been varied from time to time, although there have not been any material alterations.

18. Will you put in a copy of the price-list ?—Yes. [Price-list produced.]

- 19. That embodies the prices at the time the association was formed, and the variations up to date?—No, it does not embody the variations—I will put them in.
- 20. You say there is no penalty for any breach of the rules of the association ?—No. There has been no alteration in the memorandum.
- 21. As secretary of the association you state that there is no penalty to be inflicted ?—We look upon it as a matter of honour and stick to it.
- 22. Mr. Arnold.] What action has your association taken to get the remainder of the seventy-odd mills to join the association?—As an association they have not done anything. I believe the members have spoken to outsiders about it, and mentioned the desirability of joining the association, but the association itself has not taken any action.
- 23. The majority of them have declined to become members ?—I do not know whether they have declined, but the fact remains that they are not members.
- 24. The mills throughout the whole district of Otago and Southland have increased in number considerably since the formation of the association ?—I think they have, but I cannot speak definitely on those matters.
- 25. The association should be able to speak better than the individual miller?—Well, the association keeps no record of that sort at all.

26. Has the association any record or any figures as to the output ?—No, none whatever.

- 27. Has the association passed any resolution with regard to limiting the output of various mills?

 —Yes, there have been resolutions.
- 28. To what extent has it been limited ?—I think the output has been cut down by one-third. They cut it down more than that by extending the Christmas holidays.
- 29. Why was that done?—Because the millers were creating enormous stocks, and we could not dispose of the timber.

30. It was not done for the purpose of raising the prices ?—No.

- 31. As a matter of fact, have the prices been increased to any great extent since the formation of the association?—No, they have not.
- 32. Mr. Stallworthy.] I should like to know whether the members of the association are the smaller millers or the larger concerns only?—I think mostly the larger concerns are in it.
- 33. Do those outside the association sell their output to members of the association ?—I cannot say that. I do not know anything about that.
- 34. Can you give us any idea as to how this uniform price is fixed by the association: what guides the association in arriving at these uniform prices?—I presume the cost of production would guide them.