

125. Regarding the royalty paid on timber, what are you paying ?—The rate is 2s. per hundred on totara and black-pine, 6d. on rimu and white-pine, and beech 6d., which is the minimum.

126. Do you not think that is rather a heavy royalty ?—Yes, it is.

127. Now, with regard to the increased cost of production, what have you to say ?—Everything has gone up in price.

128. You told us that the cost of wages, as far as production was concerned, is about 4s. 6d. ?—Yes.

129. What do the other items amount to. I want to get at the gross profit ?—This gives the whole of the items. It shows the gross cost of production at about 8s. to 8s. 6d. We get an average of about 9s. or 9s. 6d. That is, roughly, about 1s.

130. Do you think that a fair profit for millers ?—No. We have risks. I think it should be fully 2s.

131. Would it be overestimated at 3s. ?—I would not say that it would be overestimated at 3s.

132. Regarding this question of railway freight, are there not some anomalies existing ?—Yes.

133. Is it not a fact that the railway freight to Dunedin from here is or has been less than the railway freight from here to a station nearer than Dunedin ?—Yes, there is a special rate to Dunedin, the rate being less than that to Mosgiel by about 4d. per hundred.

134. Do you know the railway freight from the Baltic and also from Puget Sound to here ?—I understand it was about 3s. or 3s. 6d.

135. What is the railway freight from here to Dunedin ?—2s. 10d., which is the special rate.

136. The railway freight from here to Mosgiel is about the same as from the Baltic ?—Yes, something about the same.

137. The distance is only about a hundred and fifty miles from Riverton, whereas from the Baltic to here the distance is about fifteen thousand ?—Yes, but I do not know much about Oregon pine.

138. Have you any fear of Oregon pine here ?—I do not know. I am not sure, although it looks as if they could sell a lot of it if they get cheap cargoes in and it is pushed. We cannot sell our timber at a lower price and live.

139. If Oregon pine comes in in increased quantities and competes successfully, what would be the result ?—We should have to close down.

140. For how long would you have to close down ?—I cannot say. I may say I have had cargoes of Oregon offered me at considerably less price than I could supply red-pine in Dunedin.

141. Would it be fair to ask either the Crown or private individuals to hold timber areas indefinitely—perhaps a hundred years or more ?—I do not know about that. I do not think the timber areas in Southland will be opened by new mills. There is no reason for opening those areas.

142. Suppose you are the owner of an area of timbered ground here which was fit for growing grass, and you were faced with this position : viz., that you were likely to have to hold on to it as timber land for perhaps fifty years : what would you do with it ?—I cannot say.

143. Would you not put it into grass ?—I would mill the timber. I would not burn the timber, because I have got too much respect for the use and value of timber.

144. From a commercial aspect, what would you do ?—I would keep it. I would not burn it.

145. About this difficulty in beech, what is the area in the Longwood district covered with this timber ?—There must be, roughly, five or six thousand acres of it. It may be more ; I am making a rough guess.

146. We were told yesterday there was a very much larger area than that ?—Yes.

147. You have not any suggestion to make to get over that difficulty ?—No. I cannot help the Commission in the matter.

148. I suppose you have not given any attention to our afforestation. You do not know what would be good trees to plant ?—No. Of course the main thing is in respect to the kind of timber to plant—that is, the timber that will grow rapidly. I cannot give an opinion as to the best timber because I am not a forester.

149. We see here large areas covered with Canadian thistle and ragwort, and we are told that it will cost more to clear the weed than the land is worth. Could this land not be planted in trees ?—Yes, if they could get the right kind of trees. I do not think it is possible to grow pine-trees on it.

150. Do you know anything about the threatened decrease in our butter-box-timber industry owing to a composition that may come into use in Australia ?—I heard something about it ; but I do not attach much importance to it. I think the butter-box timber can be sold just as readily as it has been.

151. You say that any reduction in railage that has been made has gone to the benefit of the consumer and not to the sawmiller ?—Yes.

152. You said that the railage might fairly be reduced ?—No. The Government has already made a slight reduction benefiting the consumer.

153. Have you had any occasion to compare the railage on timber with that charged on other classes of goods upon New Zealand railways ?—No.

154. You cannot tell whether it is true that, in proportion to the minimum trouble and risk to the Railway Department in the matter of timber, the freight thereon is very much higher than on other goods ?—No, I cannot say that.

155. Is it true that millers in this district have been paying more than the award rate of wages ?—Yes, it is customary, and has been for some years, to pay an average of 50 per cent. over the award wages.

156. Then, the millers are generous employers of labour ?—Yes, that is so.

157. You talked about the dividends made by your company. Were any such dividends unreasonably large ?—No ; they are not unreasonably large.]