

204. Would you be surprised to know that prior to 1904 the United States paid to Canada, for ten years, \$13,000,000 per annum for timber?—No; because in certain districts it pays them to bring it over the border.

205. Would it surprise you to know that, whilst, twenty years ago, of the timber exported by Canada to the United States and England, 40 per cent. went to the States and 60 per cent. to England, to-day these figures are reversed?—No, it seems reasonable.

206. A few years ago, your output was 25,500 ft. : to-day it is 20,500 ft. I have arrived at this by adding up the different mills. So that the falling-off in your output is not so very great?—Our red-pine has fallen off 20 per cent.; but, then, half of our mills are cutting red-pine entirely.

207. There is depreciation in white-pine also?—Yes, there is. We are selling it now for less than we sold it ten years ago.

208. Do you not think that this is owing to overproduction?—Of course it is.

209. Have you seen the Customs returns as to white-pine export?—We do not export a foot of butter-box timber here. Everything is the same. It is no wonder. I, for one, may say I never expected for a moment that the state of things obtaining last year would continue. I expected this to come long ago.

210. Seeing that our imports of Oregon have been seventeen million, and comparing this with our output, do you think it has anything to do, or has it very much to do, with the present depression?—It has not very much to do with it. It certainly has something, but not very much.

211. Can you tell us the price of Oregon to-day if you wish to buy?—I should think, about 81s. c.i.f.

212. Eighty-one shillings as a basis?—Yes.

213. Then, if you made out a specification, including long lengths and different sizes, how much would you exceed 81s.? Would you be 20 per cent. higher?—No.

214. Would it be 15 per cent.?—I do not think it would be 10 per cent.

215. I have worked it out, and it works out at 15 per cent. on the basis of the E list?—So that would bring it over 90s.

216. There are exceptional reasons why Oregon pine was so very cheap?—We get it in Dunedin at about 70s.

217. There was a financial crisis?—Yes.

218. The only revenue open was the export?—Yes.

219. They had to cut it and sell it for what they could get; and is it not almost impossible that these prices can be maintained?—I think so.

220. Now, in reference to the kauri at 8s. 6d. : there are special reasons for that?—Yes, I know.

221. An effort was made by Mr. Broad to crush the other mills?—I do not know that.

222. You know that logs are costing 10s. per hundred feet?—I cannot understand them costing 10s.

223. It is exceptional to say that it is sold at that price?—I know it was exceptional. I may say we bought it for two years at that price. We bought it from Mitchelson, from the Kauri Timber Company, and from Matthews.

224. You think 3s. is a fair profit for a miller?—I think we ought to have 3s. down here. It should be 50 per cent.

225. Then, idle mills in Southland are not due to the importation of Oregon pine?—I do not think so. It is a factor, but a very small factor.

226. *Mr. Clarke.* I think, Mr. Massey, you stated you considered the supply of Oregon was practically inexhaustible in North America?—Yes, of Oregon.

227. Do you consider that this is so in view of the fact that the United States have reported very much in the opposite direction—would that influence your view?—Yes, it would certainly influence me, because they should know more about it than I. Of course, I spoke of the whole of the Pacific Slope, and not of the United States only.

228. I should like to ask you, as a man who has had large practical experience in bush-work throughout the Dominion, whether you do not think that considerable harm would be done to the country by the complete denudation of the forest, in the way of injury to the country from climatic and other points of view?—Certainly. All experience proves that, when hillsides are denuded of their timber, very great damage is done. France, Sweden, Norway, and other countries are suffering from that. In regard to the question as to whether it affects the climate in the way of rainfall, that is an unsettled question which is very much in dispute.

229. With regard to the larger amount of timber that may be expected, or that may be available, from Manchuria, is there any good evidence that there is such a large quantity there?—I think there is. You may remember reading before the war that the Russian Grand Dukes had acquired very large interests in timber land on the Yalu River, dividing Korea from southern Manchuria. I understand that was one of the causes of the war. Of course, I do not altogether accept that as an authority, and I should require confirmation before I attached much importance to it. There are, nevertheless, large areas of timber in eastern Siberia. I should think, and I believe, that it will cost a very considerable sum to get it on board to compete with us.

230. You know that China is suffering a great deal from the complete denudation of her forests?—Yes, I know that.

231. Relating to local matters: In respect to one of the reasons for establishing a Sawmillers' Association here, I think that about the only answer that was given was that a man would come and say, "What is the price of timber?" and he would be told 6s., and he would then go somewhere else and say, "I have just been quoted 5s." Is that not the main reason for the association?—I would not say it was the main reason. I am quite satisfied it was one. I think the object in starting it was that timber was very, very low at the time, and I am satisfied that that largely promoted the association by three or four of us. It is, as a matter of fact, a very harmless association.