

INVERCARGILL, MONDAY, 29TH MARCH, 1909.

WALTER HORACE BRENT sworn and examined. (No. 5.)

1. *Hon. the Chairman.*] Are you prepared to-day to give evidence and make a statement regarding matters you consider of importance in connection with this inquiry?—Yes. The position of trade in Southland, so far as timber is concerned, is this: Some twenty or twenty-five years ago the timber trade was in a very bad state. Then, following that, owing to the prosperity of the country, the timber trade improved as well. At present, I am sorry to say, the timber trade is in a very bad state, and naturally we look to find the causes. The chief cause of the present depression is the tightness of finance—viz., the want of money in the Dominion. Of course, the importation of timber has always been a factor, and when, added to that, money becomes tight we feel more than ever any timber that comes in. I am aware that Oregon has been coming in for a long time, and lately it has been on the increase. When it takes the place of red-pine, in times of depression, we feel it very acutely. Another factor is that the cost of production has been going up all the time. Wages have increased: the bush has got farther back, has become more inaccessible, and therefore necessitates large and more expensive tramways. It is true the areas we have to work are of the same dimensions they were years ago, but then the bush was much better, on practically level country, and we had the same area to work on. We now want the *quantity* of bush, and that is the thing I should like to impress on the Commission. In granting sawmill areas to sawmillers the quantity of bush should be the factor, and not the number of acres. My company took up 200 acres with a reserve of 600 acres, but we found we could only work out 150 acres, for the reason that the remainder was inaccessible and we had to leave it. That class of thing did not exist at all in the old days; then you could work every square yard of it. The cost of tramways in the early days was much less than at present. At that time one could map out his lines in the office, but now experienced surveyors have to be employed in the construction of our tram-lines. Mill articles are generally more expensive at present: for example, saws, files, and many other things have gone up in price. There is a general rise all round, which, of course, affects the price of timber. When the cost of production is greater and the selling-price of timber has only advanced proportionately the miller receives no additional advantage. As a matter of fact the sawmiller was better off ten years ago than he is to-day. Indeed, there was much more profit in the earlier days. Then I would like to point out that depreciation is a very great factor in the cost of production. In the early days you could get an area which would last you ten years, and therefore you would have that ten years in which to write off your depreciation. Now, where an area may not last more than five years, there is only five years to cover the depreciation, which is consequently doubled. We acquired some bush about five or six miles from the railway-station. We had to put a tramway across a swamp to get at the bush, which tramway cost us £1,200, because the swamp had to be ditched. I would now take half-a-crown for that tramway as it stands, and yet it cost us £1,200, and that amount has to be written off before we can show any profit at all. Where we are working now the same principle holds good. In one place we have had to get a private siding from the Railway people, in connection with which we had a huge amount of difficulty with the Department before they would move. It cost us £250. The Department allows you to pay for it, but when you are done with it they will not permit you to take the rails away. So the whole of that amount has to be written off. They charge us rent for the stacking-accommodation. I think these are the chief items that have gone to increase the cost. One thing that I want to lay special emphasis on is that the Government should be induced to grant extended areas to sawmillers, which would give a longer life. We do not care in the least how many acres we get. We merely want a certain life for a certain mill, because if we get a long life we can reduce the cost. Depreciation is a big item. We have to put up accommodation for the workmen, construct mill, shed, stables, blacksmith's shop, and moulding-sheds. These things are worth nothing after the area is cut out. Sometimes they rot, and sometimes the settlers offer us a trifle for them. On Saturday, whilst listening to the evidence, I noticed that the question of conserving our forests down here was discussed. I would like to point out that the sawmiller is benefiting the country, because unless the mill goes ahead of settlement the settler must cut down the bush and burn it. In the absence of the miller, and if we wish to settle the land, the timber must be burned down altogether. Some of the finest bush in Southland has been destroyed by the settlers. I remonstrated with them, and they replied, "What can we do? We must live." We have got a good deal of bush from settlers, and they are only too glad to sell it. Immediately they get the money they put it into improvements. At one time here the Commissioner of Crown Lands would not allow a settler to sell his timber, but he could burn it. I made representations to Wellington on the subject: they saw the absurdity of the position, and either the law or the regulations were altered in that respect. Since then we have had no trouble, and the Commissioner of Crown Lands grants us a good title. We pointed out to him the benefit it would be to the settler and to settlement to have the sawmiller cut off the big timber instead of the settler sending it up in smoke. It would be absurd to try to conserve our bush here at the present time, because we cannot live without the farmer, who is the backbone of the country. To have the farmer cultivating his land, producing crops from year to year and increasing the value of his land, is surely better than to lock up that bush for an indefinite time. The bush must be sold some time, and if we can import timber now we can do so just as well ten or twenty years hence. I say, use the timber you have and let the farmer get on to the land. Then there is the question of sleepers, of which there is an immense quantity coming into this country. I can supply any quantity of them. I would like to get an