

31. What was the class of the timber?—Hardwood timber for the Bluff Harbour board; in fact, you can say that actually one-half of the total quantity imported is general, and the rest Government. With regard to the timber exported, it is difficult to find out where it has gone to; but as far as I have been able to learn you can pretty well divide it into thirds—between Melbourne, Lyttelton, and Wellington. That deals with practically all that I have to say. I have a list here of the total number of mills in Southland. The total number that are actually erected is forty-five, and some of these are not working. The great bulk of these mills, of course, are cutting what is generally called ordinary building-timber. There are two or three small mills that deal almost exclusively with what is called "factory" timber, but they are comparatively small.

32. *Mr. Morris.*] I presume these are the mills connected with the railway?—Oh, yes! I am not touching the Waikawa or Stewart Island mills. These I have mentioned are all on the railway.

33. *Hon. the Chairman.*] Do these take in any in Otago?—No, nothing on the Catlin's River. Purely south of Gore.

34. *Mr. Jennings.*] Do you know how many mills there are on Stewart Island?—No, I do not know. Taking the total of the output as 28,000,000 ft., so far as I can find out from my figures the approximate quantity of white-pine included in that is 5,000,000 ft.—that is, 5,000,000 ft. of white-pine and 23,000,000 ft. of red.

35. *Mr. Hanan.*] Is sawmilling machinery carried at a reduced rate?—Oh, no! Just charged as machinery.

36. As to dairying machinery, is that carried at a reduced rate?—No.

37. As to building-material going from the town to the country, is there a reduced rate on that—say, iron?—No.

38. *Mr. Jennings.*] Do you know if differential rates exist in other parts of the railway service?—Oh, yes! they do.

39. Local conditions would apply?—Differential rates exist in many places to suit local requirements. We have a reduction here for Dunedin and beyond.

40. And do these apply to second-class timber?—We make no distinction between ordinary and second-class timber: the only difference is between red and white pine. All that is not white is red as far as we are concerned. Of course, Australian timber imported is charged at rate and a half. I do not think the sawmillers in Southland, as far as I can learn, have any complaint with regard to the rates; in fact, the last reductions please them very much—they reckoned that they would give them a chance of cutting into the West Coast trade in Canterbury.

41. *Mr. Field.*] So far as railway charges on our timber are concerned, you have only two classes—white-pine and all the rest?—That is so. Of course, white-pine is principally used for fruit and butter boxes, cheese-cases, soap-boxes, and so forth.

42. Is that the same all over the Dominion?—Practically. There may be some special rates, but I think it applies generally to the whole lot.

43. The Main Trunk line I am speaking of?—I tell you that white-pine is common to all New Zealand, except where special rates obtain.

44. The concessions were on the other class: then, there has been no alteration recently in white-pine?—Well, I have not looked into that question. There is a special rate for timber consigned to Dargaville for shipment. There is also a special rate spread over a large number of stations in Auckland—to Newmarket, Mount Eden, Auckland, and Onehunga Wharf. These rates are, I suppose, arranged for local purposes.

45. Are there any special concessions in the Wellington district?—There is a shipping rate on timber for export outside New Zealand.

46. That is only for export?—Only for export.

47. Comparing timber with other classes of goods, weight for weight, do you not think that, even with the reduction you refer to, timber is charged for rather heavily?—The basis of railway carriage is supposed to be the value of the article. The basis of this book of rates is that you are supposed to get as much out of your traffic as the thing will stand. There are some things you must carry at bed-rock—you must balance them.

48. The balance would be more favourable to white-pine—it would be much cheaper than other things?—You have got to take into account the use of our trucks. You cannot return a truck in less than five days from here. If it goes to Longwood and then goes to Orari, it takes generally a week.

49. Does not the same apply to other goods?—No; in many cases there is no handling at all.

50. Generally, you think that, compared with other goods, the charges on timber are reasonable?—I think so.

51. Have you any special concessions here to compete with seaborne traffic?—Only so far as I have said here.

52. They are for that purpose?—Yes; they were started twenty years ago.

53. What was the object of it?—To compete successfully with the vessels.

54. Do you think that is a good policy?—It is not for me to say.

55. *Mr. Morris.*] Do you send timber for fruit-cases from here to Christchurch free?—Fruit-cases go free; there is no limit to distance.

56. Do they have to come from Christchurch first before you return them?—I think you mean the timber for the fruit-cases. Here is the regulation: "Shooks of New Zealand timber consigned to fruit-growers for manufacture of cases to be used for carriage by rail of New Zealand-grown fresh fruit will be carried free."

57. *Mr. Leyland.*] You have to carry the fruit, or do not carry cases free?—We carry the fruit very cheaply so far as that is concerned.