

4. What class?—There was some first and some second, for 4s. 6d. per hundred feet.

5. *Mr. EU.*] At a railway-station?—No, at the yard.

6. *Hon. the Chairman.*] In Invercargill?—No, five miles from Invercargill. Some stuff gathers on your hands, and we have to sell it and take what we can get for it. The average for the two mills that we own is just a fraction over 9s.—about 9s. 0½d.; that is the average selling-price. The average cost of production is just a tick over 8s. I just mention these facts to show that 1s. per hundred in my case is nothing at all like a fair return. We have one mill about five or six miles from here which has only a life of about two years and a half from the time we started, and the same initial expense must be incurred in starting all mills. We are leaving several miles of tramways costing hundreds of pounds, and they are not worth a penny to us, and so they are left there. Members will therefore see that 1s. per hundred profit is a mighty poor return for the expenditure of capital in an investment of that kind. The trouble is, of course, that you cannot get the sawmilling area within a reasonable distance, otherwise we should have taken a larger area in preference to a smaller one. I see there was something said, according to the paper this morning, about the extra cost per room for timber supplied for a house. One witness said it would average about £12 a room. I have just supplied a seven-roomed house in which there was about 22,500 ft. of timber, costing £123. If you assume that statement to be correct, that man could have bought that timber for £39.

7. This cost you are quoting may be exceptional?—That is an average of nearly 12s. per hundred. It was a good house, and well finished, quite up to, and, in fact, rather beyond the average standard.

8. *Mr. Mander.*] The total cost was £123?—The seven-roomed house was a specially well-finished house. There were 1,850 ft. of mouldings in it, showing that it was much above the average for a house of that size.

9. What would the total cost of that house be?—From £550 to £560; I am not quite sure it was a contract work.

10. *Hon. the Chairman.*] What was the amount you said the timber cost for this house?—£123.

11. The builder got the balance?—Yes, of course. I notice there was a good deal said about how cheap timber was some years ago; and, of course, it was much cheaper. If I give you the price of some contracts let some years ago, it will give you an idea how the discrepancy arises. Twenty years ago we were letting contracts as follows: Bush-work, 9½d., which put the timber on trollies; then there was haulage to the mill and haulage to the yard. The bush-work included the cutting of tracks, felling the timber, the bullocks, &c., 9½d.; the mill-work—that is, simply cutting the timber at the mill and putting it on the trollies—8½d.; the yard contract was 3d. per hundred. Eight years ago we were letting contracts at 2s. 8d. per hundred, and that meant felling, hauling, sawing, and delivery in yard, but not including yard-work, of course. I may say that I was managing one of the largest firms in the South Island, and that is how I have all these things at my finger-ends. I have only been sawmilling myself for two years.

12. *Mr. EU.*] You are not relying on your memory for these statements altogether?—Well, I am speaking from memory just now, and I may say I had the handling of the money all the time.

13. *Mr. Field.*] You could not have forgotten it?—A few years ago, when I left the firm I am referring to, we asked for tenders for the same work, and they wanted 4s. and 5s. By the way, the first contract I referred to as being 2s. 8d. did not include second-class.

14. *Mr. Morris.*] What did you pay for the second-class?—We paid the contractor nothing at all at that time. Second-class timber was not dealt with. The contractor did not have a right to sell it himself.

15. *Hon. the Chairman.*] What became of it then?—It was sold by the miller.

16. What proportion would you reckon was second-class timber?—It depends entirely upon the kind of bush you are in; one place might give you 50 per cent. of second-class, whilst another place would not be more than 25 or 30 per cent. In letting the contract you vary according to the nature of the bush.

17. What do you suppose they tender for now?—As I said, before I left this firm three years ago we called for tenders for a certain mill, and they asked 5s. per hundred for it.

18. It has not gone up any since?—I really do not know. That was a firm that did more contracting. Since I left them I do not know so much about that part of the subject.

19. Do you think the men contracting for those low prices were better up to their work than the men contracting now?—They were certainly good men, and they worked hard.

20. They did not confine themselves to eight hours?—Their men did. The contractor himself might work, but his men would keep to the eight hours.

21. *Mr. Hanan.*] Do you favour increasing the duties on Oregon pine? If not, what are your views on the question of import duties on foreign timber?—It is rather a biggish question, and my convictions and my interests perhaps clash somewhat. As a miller I think we should be quite reasonable in asking for an increased duty on Oregon timber. If it can be shown that jarrah is a much better timber than we can get here, then I do not think it would be a reasonable thing in that case to keep that timber out by a duty. If, on the other hand, it is timber we can supply here ourselves, it is reasonable to have a duty on it.

22. Take Oregon, what do you suggest in the way of duty, on balk, small sizes or large sizes?—Principally large sizes.

23. What duty do you suggest?—I do not know; I have not gone into it sufficiently to say. The price of Oregon has varied, and what may have been a reasonable thing to ask six months ago may not be a reasonable amount now, because the price has gone up.

24. Why do you say there should be a duty imposed on Oregon?—Well, there are various reasons. It is coming in here in fairly large quantities, and competing with the timber we have