

back of white-pine, as it were. White-pine is required for butter-factories, and owing to agitation they got the duty reduced to 6d. Beech, unfortunately, not being classed as a pine has a higher duty.

20. You know the duty is put on by the Federal Government, not by the New Zealand Government?—I know that, but, still, I think something might be arranged.

21. Do your people visit the Catlin's district?—Not much, chiefly Southland.

22. You are aware, of course, that Catlin's has a large amount of pine, rimu, and other timbers there, but very little birch?—Yes, a good deal of beech also.

23. Would it not have been better to have gone into that country than where there is a bit of difficulty in exporting it?—The timbers are better as a whole in Southland than in Catlin's. I do not say better quality, but easier-worked.

24. With regard to kauri, we have had evidence to the effect that it would be wise to put an export duty on it?—I feel that if they will not take our cheap timber they should not get our dear timber.

25. Do you not think it rather inconsistent to ask them to take a duty off one class of timber, and recommend our own Government to put a duty on another class?—Yes, that would be inconsistent, but it would not be inconsistent to ask to have the duty brought down on our cheap timber.

26. With regard to Oregon, have you had much to do with it as a merchant?—We are just beginning to import some now in small quantities.

27. What is your opinion in regard to Oregon?—As far as Otago and Southland are concerned it does not appreciably affect them. I could not speak for further north.

28. It is chiefly large timbers that are brought down?—Lengths that we cannot very well get—that it is difficult to get here.

29. But if it is competing in the North Island occasionally it is only a matter of time until it comes this far?—It will be a long time. It cannot possibly compete here. It is going up now—has an upward tendency.

30. Do you think it is likely to go up further?—It is scarcely possible that it should come down, and it would be a long time before it can compete with our local timber.

31. If it does go up still further, it is not to be feared even as much as at the present price?—That is so.

32. You do not think there is any necessity for putting a duty on Oregon?—Not as far as Otago and Southland are concerned.

33. What is your opinion with regard to letting hardwoods of other kinds come in?—I think the present arrangement is reasonable.

34. You would not make any alteration?—I do not think it is necessary.

35. As a merchant you have been simply dealing between the miller and the user?—Yes.

36. As a middleman?—Yes.

37. Have you discriminated in any way between the association and those outside?—No, we are millers and sawmillers and timber-merchants.

38. Were you previously?—Yes, we have been all through.

39. Do you deal always with the association?—Oh, no, we go outside also. It is scarcely an understanding—merely a sort of friendly association, which is not hard and fast.

40. It is admitted that the cost of building has very much increased, and we have got evidence from builders and millers on that subject. Do you think the increase has been caused in any way by a close combination?—I do not think so.

41. Of course, you are speaking as far as Otago and Southland are concerned?—Yes.

42. You do not stock timber, although a merchant?—No, we sell off the trucks or off the wharf.

43. If you were to stock timber, would it require a very large amount of capital?—It would require increased capital. It depends upon the extent of the operations.

44. Do you think it is possible for the mills, either in the city or country of which you have a knowledge, to stock the whole of their timber so that it may become thoroughly seasoned before being used?—I do not think so; it would require a great amount of capital to do that.

45. *Mr. Hanan.*] You were in the sawmilling business before you came to Dunedin?—Yes.

46. Did you find that it paid you?—Well, we were not long enough in it to judge fairly.

47. Did you sell out to advantage?—No.

48. Have you found the timber-merchant business in Dunedin a success?—Fair.

49. You have not regretted entering upon it?—No.

50. Has your business increased in the last three years?—Yes.

51. Substantially?—Yes.

52. Have you known any millers who have given up business in Southland?—I know that some have, but I cannot recall them at the moment.

53. Would you say that the majority of them have done well?—No.

54. You say they have lost money?—The majority have not made any.

55. Would you swear that on your oath?—I would rather not, but from the dealings I have had with them they do not appear to be any better off. I do not see any indications of their having made money.

56. Why do so few give it up?—I do not know. If people get into a business they hang on to it if they are making a living.

57. As a rule, if it is not paying they will get out of it as soon as they can?—Yes.

58. The number of mills has increased down there?—Yes.

59. Does that show that the business has not been a profitable one?—I could not say. A number are very small mills.

60. Would you say that the large mills pay and the small do not?—The large ones have large areas of bush convenient.