

time?—I could not say what the profits are: I have never seen their balance-sheets. As far as we are concerned our profit is less.

133. Are you talking as a timber-merchant or as a miller?—I am not a miller. I do not know the difficulties you have to contend with down south.

134. *Mr. Hanan.*] Supplying the timber-merchants?—Of course, we have to pay the extra money. We do not get greater profits. It has reduced our percentage of profit every time.

135. *Hon. the Chairman.*] You stated that you did not think it would be any incentive to building if the timber was reduced in cost?—I got that information from some of the principal architects.

136. You would not suppose that the architects would be anxious for a reduction, because they get paid a percentage on the full price?—I suppose they do, but if they had an increased trade at a reduced price it would be better than getting a large price in isolated cases.

137. *Mr. Hanan.*] Do you expect to obtain to any extent your supplies from the Auckland District?—No, I have got my supplies for some years without considering Auckland.

138. Do you know anything of the nature of the timber as compared with other timber?—I have heard that it is rougher.

139. With regard to obtaining orders for the mills from Stewart Island, comparing the water carriage *via* the Bluff to Invercargill and Dunedin, what is the difference?—It would cost pretty well 1s. 6d. to the Bluff; then it is 2s. 7d. from Invercargill here; then you would have railage from the Bluff to Invercargill, say, about 1s. It costs over 5s. anyway.

140. I understand from your evidence that timber can be obtained from the mills in Stewart Island cheaper than from the Southland District?—I save so much in the carriage.

ARCHIBALD McCALLUM, Sawmiller and Timber-merchant, sworn and examined. (No. 26.)

1. *Hon. the Chairman.*] Do you wish to make any statement with regard to the questions we are inquiring into?—I have not very much to say, that is the fact of the matter.

2. Do you purchase much outside your own mill?—About one-third my consumption.

3. About two-thirds is your own sawing, and you get the remainder from other mills?—About one-third from other mills.

4. Have you an establishment in Invercargill, and one in Dunedin?—Yes.

5. Any other one in Oamaru?—I could not tell for Oamaru. I think not.

6. About what amount do you produce per year in your mills. Have you more than one?—Four mills.

7. What is about the average output?—I could not tell.

8. Could you not tell approximately?—No.

9. Then we have nothing to go upon as to what you purchase outside?—About one-third.

10. What is the amount?—I do not know what the mills produce.

11. You do not know what you get from outside?—One-third.

12. Do you know the price you get here?—Yes.

13. And in Invercargill?—No. I have an idea, but I am not positive. They do not interest me very much, because I am never there.

14. Is there more in the company than yourself?—Another party.

15. Does he look after the Invercargill business?—Yes.

16. And you look after the Dunedin?—Yes, and Oamaru.

17. Can you tell us about the amount you put through in Dunedin and Oamaru?—No.

18. Can you tell us about what price you have been charging, and the price now charged?—Yes; 13s. 6d. for rough timber, less 10 per cent.

19. What would that be?—12s. 3d.

20. Is that rough or dressed?—Yes, rough.

21. What would the dressed timber be?—4 in. by 1 in., 18s.; 6 in. by 1 in., 17s.; 4 in. by $\frac{5}{8}$ in., 15s. 6d.; and 8 in. by 1 in., 15s. 6d.

22. *Mr. Stallworthy.*] The same discount?—Yes, 10 per cent.

23. *Mr. Hanan.*] Can you give us any information about that account put in by Mr. Bain, in which the timber was sold at 3s. 9d. It was from your mill the timber was obtained?—I have not seen timber sold at 3s. 9d.

24. *Hon. the Chairman.*] If we have a stamped receipt from Mr. Bain, would you take it as correct?—I would want to see the timber as well as the price.

25. He stated it was fair building-timber, second class?—That does not figure out.

26. *Mr. Hanan.*] You were one of the oldest sawmillers in New Zealand, and know a great deal about the forests in Southland?—Yes.

27. Speaking as a practical sawmiller, and having regard to the rate at which the timber has been cut out in the past, how long would you give the existing areas before they are cut out?—I could not tell: I have been away fifteen years.

28. Do you know anything of the Catlin's Bush area?—No.

29. We have been told that it is exceedingly difficult to get a good class of timber now?—That is all over Southland.

30. Where do you expect to get supplies from?—They say there is a lot across the Waiau River, but I have never been there.

31. Seeing that that is further away, does it not point to the fact that the price of timber is going to increase?—Of course, the more difficult it becomes to get it, the higher the price will go up.

32. You have made and lost money?—Well, I have stuck to the most I have made.

33. During the last three years, have the millers been making money?—No.