

85. Would you be surprised to know that well-known firms of timber-merchants in the Dominion are in a state of liquidation at present?—I would not be surprised to hear that.

86. About this increase in price of O.B. rimu, we had in evidence this morning that the price had increased from 9s. 6d. to 14s. 6d. in ten years?—I think you will find that ten years ago it was 13s., and now it is 14s. 6d. One of our witnesses has the figures.

87. You are sure that from 9s. 6d. to 14s. 6d. is not correct?—It is incorrect.

88. What is your opinion regarding the likelihood of an increase in the importation of Oregon?—I do not think much more will come.

89. Do you think it will cease?—No, not quite. I think that the price of Oregon is likely to affect the amount that will be imported. In many cases it is desirable for beams, and it will be brought here for such purposes, but I do not think it will be imported for general use.

90. You have heard that in the North Island the millers are alarmed and are closing down?—Yes, I have heard that.

91. In the house which you gave us an illustration of—that is, the house containing 280 pounds' worth of timber—I notice, of rough red-pine there is only 9 pounds' worth, whereas of Oregon there is 78 pounds' worth. What is the Oregon used for in that house?—All the framing.

92. For no other purpose?—Possibly the rough boards.

93. You do not use Oregon here for flooring or weatherboarding?—I would not recommend it.

94. What was used in the case of this house you speak of?—Dressed red-pine.

95. You said the importation of Oregon would have no effect on the building trade here. Have you any opinion as to what effect it would have on the millers?—It stands to reason that if there is less red-pine used there will be less asked for from the millers, and that is the only conclusion I can come to. If there are so many millions of Oregon imported there will be much less red-pine to be cut.

96. You spoke of Oregon being handicapped in the matter of railway freights: that, of course, does not exist at the ports where there is no railage?—No. It only exists from here to the port at Lyttelton.

97. In the case of the main towns of the colony there is little or no railage. There is none at Auckland, Wellington, or Dunedin?—It is a matter of 4d. here.

98. It is not seriously handicapped in the big towns of the colony?—That is so. You cannot send it to the country.

99. *Mr. Leyland.*] You stated in your evidence that, taking the actual figures, that was a gross profit of 15·65 per cent.?—Yes.

100. Out of that you had to take wages, rent, fire and accident insurance, &c.?—Everything except labour that produces value.

101. If a statement were made that timber-merchants would get the gross profits, would that be an absolute reply?—Our books are kept as a company's books should be kept, and that would be the gross profit.

102. Do you not think that a man who embarks in enterprise of that kind takes a big risk?—It means a big risk—that you must have a very big turnover before you can meet your expenses. What I want to convey is that there is a 2½ per cent. cash discount, but the builder gets a trade discount which we do not get.

103. With reference to trade in Auckland, a builder gets 10 per cent.?—In that case the merchant is paid 18s. 6d. f.o.b. Kaipara, and the merchant does not have to pay cartage. In that case you have got 2d. advantage.

104. The timber-merchant carts the timber to the consumer, and you pay no wharfage?—I am making no reference to the price we pay at Kaipara, and every time you handle timber you have a loss.

105. But he gets discount and does not pay cartage?—He gets it, according to our reckoning, at 2d. of a higher rate. But timber you sell at 18s. 8d. costs more than ours at 18s. 6d.

106. *Mr. Mander.*] They have got to cart to the vessel for you, you know?—They sell very cheap.

107. Are you not selling at a very little profit, if any margin at all?—At a very low profit.

108. Not a payable margin?—I question whether it meets expenses.

109. Are quotations from American agents increasing?—Certainly.

110. Can you offer to quote for an Oregon pine?—You would lose money if you did.

111. Are there orders going forth for Oregon?—I think very few.

112. It is very evident that with the increased cost there would be less Oregon imported?—Yes.

113. The question is that the price would rise to a prohibitive rate?—Yes.

114. The prices have risen to a prohibitive rate?—Yes.

115. The reason Oregon was not imported was because it was too dear?—Yes.

116. Seeing that importations are likely to leave a diminishing quantity, is it not likely that the amount imported will not keep pace with the consumption? Our consumption of timber has doubled for ten years. Is the import likely to increase? If it is not there will be a bad effect on the millers?—According to the way you put the question, you take it that there is an increased demand now being made.

117. But we want to take the average consumption of the colony?—I cannot answer a question of that sort, because you are putting a fact which I do not approve of altogether.

118. You have said that it is the custom here for the timber-merchants to supply seasoned timber for matched lining and dados?—Yes.

119. We have had it in evidence that in Southland that is not the custom—that the people buy all the timber green. We have also had it in evidence that the timber-merchants in Invercargill were starved out, and there is no merchant between them and the mills. Is not the in-