explain that when the workman comes across a board half sap and half heart, it would pay him better to cut off that 6 in. and thereby get another board and so preserve that 6 in. of heart, and it is done in order to get the quantity required.

33. They use all sap for cabinetmaking purposes thoroughly dry?—Yes, thoroughly seasoned.

34. Even if your market was partly shut out for rough timbers, there is a market—I do not say to what extent—for inside finishings to houses?—I think you misunderstood the position. The demand is for that sap. We talk about rough timber. I do not call that O.B. It is too good for rough work. The heart often has a streak of resin in it; that is what we call "gummy heart," and that is not good for decorating purposes. We have trouble in getting rid of that.

Mr. Hanan: Will you bring your balance-sheet to-morrow?

Hon. the Chairman: There must be no more questions, as the witness wants to get away to meet an engagement.

Witness: The balance-sheet can be inspected by a competent auditor.

35. *Mr. Hanan.*] Have you any objection to let the members of the Commission have it?—I have no authority, and I cannot get at the other man.

36. Would you try to obtain it?—I am quite prepared to have my figures substantiated by a public auditor.

Hon. the Chairman: I think it is fair if you appoint an auditor.

CHRISTCHURCH, WEDNESDAY, 7TH APRIL, 1909.

W. GOSS, examination continued from previous day. (No. 42.)

Witness: Mr. Chairman, I have typewritten out a copy of the balance-sheet of that particular firm that I was talking about yesterday, and am putting it in before the Commission. As I stated, it can be verified by anybody whom the Commission likes to appoint. I would ask that it be treated confidentially. I have also prepared another statement. Of course, I did not know exactly on what lines the Commission had been going; if I had I should have been better prepared with information; but last night I went back through the books for thirty-five years to see the prices of various timbers. Our price-list, which I am leaving with the Commission, goes back to the latter part of 1900. I have gone back every six months to June, 1896, and then I have taken December, 1895, and gone back each five years to 1874, and I find that the selling-price of red-pine in 1874 was 17s. and 18s. At that time we were getting red-pine from Banks Peninsula, principally. It was being brought over the Sumner bar, and of course there were not the expenses then that we have now in many ways. I thought this information might be interesting to the Commission. [Documents handed in.]

1. *Mr. Hanan.*] Have you any objection to producing the balance-sheet previous to the one that you now submit of that company, or is it obtainable?—I will show it to anybody you like to appoint, and the auditor can make any comments he likes about it.

2. Will you show it to the Commission in private?—I have no authority to do that from the company concerned.

3. When you give us a list of the expenses, is it not fair to give us the other side of the ledger also?—If there is one.

4. If you give the expenses of the firms you have mentioned, in order to allow the Commission to arrive at a true knowledge of the position so far as the building trade is concerned, do you not think it but fair that we should also have from you the other side of the ledger?—If there is one.

5. What is your answer to that?—I will undertake that the Commission shall be supplied with the same information for the previous year.

6. You will give the other side of the ledger?—I will give the same information for the previous year.

7. But only as to expenses?—I do not quite see the drift of your remarks. We are giving you all the trading expenses in connection with this business on the turnover. Now, I say here that "The above percentages are on the turnover for the year. The cost-price in truck at Christchurch being 11s. 1d. for O.B. timber and 12s. 10d. for timber suitable for dressing purposes, while the prices to the consumer are list prices less 5 per cent. trade discount.

8. That does not enable one to get at the true position?—It gives you all the information that should be required for the purposes of this Commission, I take it. You can take our trade prices, and you will be able to draw your own conclusions from them.

9. To boil it down, you are not willing to let us see the previous balance-sheet to the one you submitted in respect to the business of the firm that you refer to?—I will make the same statement with regard to that balance-sheet that I have made with regard to this one. You have got the selling-prices of timber, and you know the difference between the selling-prices and the purchasing-prices.

10. Has your income-tax, so far as relates to your own business, increased or decreased during the last two years?—It has decreased very largely.

11. During the last three years?—Yes, it is a diminishing quantity. The best term was at the time of the Exhibition. Then there was practically a boom in Christchurch.

12. And it has steadily decreased since then?—Yes.

13. As to the sawmilling business, how has that come out on the West Coast?—That I do not know.

14. You have had no balance-sheet?—Yes, I have seen balance-sheets of some businesses.