

protected from competition like ours, so that, if one railway company will not make a concession there is probably another that will. The service that was rendered this lumber company could not be obtained in this country, because the Railway authorities forbid the use of their rolling-stock over privately owned sawmill-lines. But, exercising this privilege, the classified rate in New Zealand would be 2s. 2d. per hundred, or five times more than the cost in this particular instance.

Respecting railway freights charged in this country, I do not consider them excessive when it is considered that many of the conditions that are imposed upon the private employer are also imposed upon the State, and it would be just as unreasonable to expect our Government to carry timber at the same rate as the American railway companies as it would be to expect the New Zealand miller to cut timber at the same rate as the American lumber companies.

Milling Comparisons.—In Canada and America the milling of the timber is carried out on a very big scale, and all economies are rigidly effected by labour-saving machinery, rapid handling, and cheap and strenuous labour. The hours worked are ten per day, and the labour employed in all the unskilled work—which represents a big proportion of the whole—is of the cheapest. Japanese and Hindoos are usually employed for this class of work, the rate of pay being from \$1 to \$1.50 a day. In most cases there are a few highly paid men, but these are the “hustlers” of the different departments, and on their extra pay devolves the duty of keeping up a continued rush for the whole of the ten hours which constitute their day’s work.

Mills cutting from one hundred to five hundred thousand feet a day can produce timber very cheaply as against mills cutting from six to twelve thousand feet per day. For illustration, take the average production of a West Coast mill at 8,000 ft. per day, and the average production of an American mill at 160,000 ft. per day, both comparatively fair averages. The engine-driver, with the automatic appliances employed by the American miller, can look after the whole of the boilers and engines used to produce 160,000 ft. of timber per day. On the other hand, it takes one engine-driver in New Zealand to supervise the engine and boiler used to produce 8,000 ft. per day; or, in other words, the American miller would have twenty men were he to employ West Coast methods; or, if the West Coast miller could employ American methods, it would mean that a man would have to put in only one-twentieth of his time at a job he now devotes the whole of it to. Then, again, in the matter of keeping the mill clear of slabs. In America this is done entirely by machinery, the only cost being its upkeep, interest on cost, and depreciation; while on the West Coast it takes one man a day to clear slabs from 8,000 ft. of produced timber. Therefore the American cuts out twenty men by the installation of his plant. This all proves that, for economical cutting, large plants are required, and that the New Zealand miller cannot take advantage of modern methods unless larger holdings are allowed him.

The employment of coloured labour in the mills around Puget Sound is also a question that materially affects the New Zealand miller, who has to employ British labour. The Hindoo and Japanese fill the unskilled positions in the northern parts of the Sounds, and they all seem to work consistently and obediently at rates from \$1 to \$1.50 a day. During my visit there there were hordes of Hindoos looking for employment who were willing to take on any class of work at \$1 a day. In some mills I have visited, over 90 per cent. of the employees were either Japanese or Hindoos. The rice-eating labourer has not so far made his presence felt in the bush-working, and for this reason labour is paid for at about the same rate per day as in the bushes here, only that the hours worked are ten instead of eight, which means that the American gets 25 per cent. more than we do for the same money.

The class of Oregon imported for our local markets is produced in a greater proportion to the better qualities than the American markets demand; consequently it becomes a drug, and the advantage of having a dumping-ground must be very apparent. There has always been the utmost difficulty attending the disposal of our lower grades of local timbers, which in most cases represent a big percentage of the log-production. If the opportunity of disposing of this class of timber is denied us by the importation of foreign timber, it will mean that, in order to supply our market with ornamental and dressing timbers, it will be necessary to load them with the cost of unsaleable classes unavoidably produced, which would put them up to a prohibitive price, and would let in the better classes of foreign timbers as well as the lower grades.

Oregon not a Necessity.—The fact that the Dominion has been able to supply its own markets with native timbers for building purposes until quite recently, and that there is still an abundance of raw material, is proof that Oregon—which is used exclusively for this purpose—is not a necessity. There have been opinions expressed that it is a necessity in the form of long lengths and balk sizes. But the reason why our markets have not been supplied with long lengths of native timbers at satisfactory prices is that the demand is limited, rather than that our native trees will not produce long lengths.

I do not believe in giving long lengths or balk sizes duty preference to the smaller sizes, the reason being that in buying balk sizes it gives the buyer the option of converting them into smaller sizes at a small cost. The labour employed for the conversion of balk timber into ordinary sizes could probably be covered by 6d. per hundred; but this expense is more than compensated for by the advantage of having timber in sizes capable of being converted at a nominal cost into any size that the local market may require.

In the mill which is now being erected by our firm on the West Coast we are making special provision for cutting lengths up to 60 ft., and in sizes up to the square of our largest tree; and I think there should be every encouragement given to improve and cheapen our methods of production, so long as our workers have proper protection.

The importation of Oregon cannot beneficially affect the country towns and farming districts, because the railage or transport charges which prohibit the rimu from competing successfully with the Oregon in seaport cities also prohibit the Oregon from competing with the rimu in the country districts. The combat lies within the city and suburban areas, which can be readily served by the direct steamers. This being so, it is the millers supplying the seaport cities that are the most affected by the imported article.

I do not think the importation of Oregon has everything to do with the present depressed state of the trade; but there can be no doubt that its importation has seriously aggravated the depression by reason of its invasion at a time when other forces had tended to bring about exceedingly dull times.