

*To Mr. Forbes:* I know that charcoal is very much used in France. I think it is used to some extent as fuel, to mix with lower-grade coal. It is quite possible that it might be used here in the same way. The shipping shortage has been one of the causes of the lessened supply of coal, and it seems probable that the difficulty will not be overcome before the next winter. The completion of the Arthur's Pass Tunnel will alter the conditions considerably—at least, in the case of a considerable section of Canterbury. I think when the railway is completed through to Canterbury the slabs will not be burned as they are now—they will go over as firewood. In addition, the slabs can be turned into charcoal at the price I have stated.

*To Mr. Craigie:* What we want at present is a market.

[Subsequently witness supplied the following information: "In reference to my evidence with regard to the inauguration of the charcoal industry, it has now been ascertained that the freight per ton from the mill to Greymouth is 4s. 3d., while the wharfage on same is 3s. But to further assist in the establishment of this industry my company will be prepared to adhere to the prices quoted in the written report read by me, and bear the cost from the mill to the ship themselves. The prices at which we are prepared to make the charcoal and place it f.o.b. Greymouth will be as follows: The larger pieces for general purposes, £2 10s. per ton; and the screening for insulation purposes, 1s. 8d. per bag of 40 lb. (bags in both cases being charged extra and subject to return.)]

D. TENNENT, representing Grey-Hokitika Sawmillers' Association, examined.

We wish to enter our protest against the absurd statements made indiscriminately *re* sawmilling and sawmillers. For instance, recently in Christchurch a contract was stated to have been made for £5,000,000 for timber on the West Coast. Export figures for whole Dominion average about £500,000. The total output for the West Coast is approximately £300,000. As regards prices charged by millers, no sawmiller adhering strictly to sawmilling has ever amassed a competency on the Coast. The heaviest charges and the surest profits have been made by commission agents handling the millers' output; and whereas these charges may be quite reasonable when applied to other lines of business, there is no room for them in timber. For instance, a company inviting quotations for butter-boxes on behalf of the dairy factories stipulate that they be covered for 5 per cent., plus the usual 2½ per cent., which would equal 1s. 6d. per 100 ft. on the timber supplied; whereas it is safe to say that no miller on the Coast has netted 1s. per 100 ft. on his output over any term of years. We need hardly indicate where efficiency lies in this matter. The farmer should cut the agency. In view of the past experience of millers in connection with American imports, we must strongly urge the continuance of the 2s. per 100 ft. import duty, and also of the preferential railrage charges as at present existing. When it is remembered that America annually produces 4,000,000,000 ft. of timber, of which she only exports 5 per cent. (in 1913 Australia took 170,000,000 ft.), it can be easily understood how easy it is for her to wreck our business should she care to try. Prior to the war, freights from Puget Sound to Lyttelton were 2s. 9d. per 100 ft., whereas from Grey to Lyttelton they were 4s. 3d., a margin of 1s. 6d. per 100 ft. in favour of the American. We would also urge that it is essential to conserve our export trade to Australia by every possible means. From every point of view this is necessary. Without it, 50 per cent. of the white-pine now sent to Australia would be left to rot or be burnt by the farmer and others; and as the market is wider and more varied than in New Zealand, the export of rimu as at present conducted means more railrage, royalty, wages, and an amount of general trading that is sorely needed here.

Railway charges: In these millers are too heavily assessed. They provide their own sidings at whatever price the Railway Department cares to charge, usually about £400. Then they are charged annual rent as an access rent—£25 per annum it is here. Then, to facilitate loading and enable wagons to be expeditiously handled millers have at great cost erected skids at these sidings, for which they are charged by the railway, which gets the benefit, 6d. per foot frontage for a depth of 35 ft. On top of this the County Councils assess their taxes on the rent charged by the railway on the so-called stacking-site, and in some cases the rates alone are almost as much per annum as the actual freehold value of the land. In view of the fact that in all these items the sawmillers accept all the risks and the railway has a lucrative trade found for it, we think a considerable reduction should be made on these charges. Further, the regulations governing the carriage of timber are too drastic (see *Gazette*, 15th February, 1912, p. 726). Sawmillers are entirely dependent on the accuracy of their yardmen for the correctness of their consignments, and, considering how easy it is for any one to make an error when handling such a multiplicity of figures, the *Gazette* referred to is a decided injustice. It would not be so bad if when a mistake occurs against a miller the Department would correct it, but in this the Railway Department fails to reach the usually accepted standard of British commercial morality. We would further urge, *re* railway matters, the early completion of the Otira Tunnel as one of the best means of efficiently dealing with the West Coast products. Through railrage to the east coast means saving thousands of pounds' worth of waste timber—often suitable for farm out-buildings, fencing, firewood, &c.—which is now burnt in the mill slab-fires. Further, we would urge that in towns of similar size and larger than Greymouth the railway tickets should be procurable apart from the usual railway office. This could probably be done through returned disabled men who may have to add light work to their pensions to enable them to make a livelihood, and the advantage to the travelling public is apparent to all who travel on our railways. Further, we urge that a crossing-keeper be placed at Tainui Street, which would also mean light employment to a returned disabled man.

*To Mr. Luke:* The men working at the sawmills have plenty of work. We have suffered from the want of men for a long time. The mills are understaffed at present. We could double the output with the plant we have,