

645. And since then, I understand, you have watched the timber industry pretty closely?—Yes, very carefully.

646. In 1887 you entered the employ of the Midland Railway Company?—Yes.

647. In what capacity?—As inspector of forests and in regard to their lands generally.

648. How long were you in that office?—I have been up till within about twelve months ago. I should say up to 1895, and since then I have been acting for the Receiver for the debenture-holders, and also for the Midland Railway Company.

649. In the same office?—Yes.

650. What were your duties?—In looking after the forest country and reporting generally upon the character of the land, including forests.

651. Then, I understand, it was part of your duty to make yourself acquainted with the nature of the forests belonging to the company, and in that way, I understand, you became familiar with the forest lands generally?—Yes; I had a large experience in forest country before I came here.

652. Where did you gain that experience?—In Canterbury—on Banks Peninsula.

653. In 1890 did the Midland Railway Company take any steps to develop the timber industry?—Yes.

654. What was done?—They requested me to visit the different parts of the colony to endeavour to get sawmillers to establish plants in this district. I visited the Otago District, the Wellington District, and the Picton and Havelock districts for that purpose.

655. And you also went to Australia I believe?—Yes.

656. As the result of your operations, how many mills were established by the company?—Six; or, rather, they issued orders to the extent of some 6,000,000 feet of timber as an inducement for these mills to commence.

657. Do you mean 1,000,000 feet each?—Some were larger and some smaller—an average of 1,000,000 feet.

658. What did the company do with the timber?—The greater portion of it was exported to Melbourne and Sydney.

659. *Mr. Bell.*] Was that without royalty?—No, the royalty was paid on it.

660. *Dr. Findlay.*] At a price agreed upon, I suppose?—Yes; I am not sure that the whole of this order was executed, but nearly the whole of it was.

661. Do you recollect what year that was in?—In 1890.

662. Then, it would be part of your duty to try and place the timber the company was ordering?—Yes, I visited Broken Hill for that purpose.

663. Do you recollect what it cost the company to promote this development?—I have not the figures before me now, but I think altogether some £4,000.

664. That was lost in your effort to establish the business and create settlement?—Yes.

665. Can you tell me how many mills have come into existence on the West Coast here since the company made this effort in 1890?—Altogether, I think there were some twenty-four or twenty-five mills established up to 1899.

666. All working now?—Yes; some small and some large.

667. Employing about how many men?—Upwards of five hundred men; and their dependents, including themselves, would be at least two thousand people.

668. Now, can you tell me what the output in superficial feet for the past year was?—Within a trifle of fifteen millions.

669. And since the industry started in 1891, what has the total output been?—Slightly over 90,000,000 ft.

670. Have you arrived at any value of this timber?—Valuing the timber at 6s. per hundred.

671. Why do you fix that?—That is the present price of red- and white-pine. An approximate value of the past year's output would be about £45,000, and since 1891 the value of the 90,000,000 ft. would be about £270,000.

672. What proportion of the whole of that timber has been railed over the Midland sections?—So far as I can learn, about three-quarters of it.

673. With regard to the prospects of the timber trade: you say that you have, for many years past, been intimately connected with it?—Yes.

674. What do you think will be the tendency in regard to prices in the future?—I think they will harden. They are bound to do so. All the forest country throughout New Zealand is becoming very difficult of access, and the demand for timber is greatly increasing throughout all the larger centres. At present there are large inquiries for additional supplies in Canterbury. Even those timber merchants of Christchurch who have already established mills here are now considering the importance of erecting additional mills.

675. And the timber business as a whole appears to be prosperous and progressing?—Yes; there are many inquiries being made also in Wellington by the timber merchants. That would be a new market.

676. And will the further construction of the railway affect the timber industry?—Oh, certainly. I can only say that if there was the means of getting the timber out of the country by rail there is a very large quantity of an inferior class of timber—timber which is not suitable for house-building, but which would find a market in Canterbury and elsewhere for many useful purposes, such as farm-buildings, sheds, and so on—and all this could be sent away if railed, but it cannot bear the seaborne cost.

677. Commencing on the north-east side of the Arnold River, I want you to describe the forest areas which you think would be marketable?—At a point near the Stillwater Station, immediately on the north-east side of the Arnold River, there is, taking a width of five miles parallel to the Reefton Railway, a considerable tract of forest country. There are some 39,000 acres, of which there should be at least 18,000 acres between Arnold River and Nelson Creek.