

shifted in about twelve months—when we have finished the timber on which it is at present engaged. The whole lot of our timber will be cut out in four or five years from now, and we propose to put all our plants in this new place. We do not intend to hold the property any time longer than it is practicable to work it.

80. You are going to use the plants you have at present to cut out this timber?—Yes, that is our intention.

81. *Hon. Mr. Carroll.*] You would not start cutting this timber through this block until the railway gets within ten or twelve miles?—That is so.

82. It would not pay you to do so before that?—No.

83. You will be compelled to wait until the railway gets there?—Yes. There is only one other outlet, by way of the Wanganui River.

84. And you do not propose to use that?—No.

85. Although you might get your plant in now and start your general milling business, you cannot say when you intend to start?—No. We might get it out by way of Wanganui.

86. But the prospects of getting timber down the Wanganui are not at all encouraging?—No.

87. Have you been on the block?—Yes.

88. You have inspected the timber?—Yes.

89. What proportion is there, roughly speaking, of totara, rimu, kahikatea, and matai?—I should think fully one-third of the bush is white-pine; the other third is rimu and matai, but here and there totara. The proportion of totara is very small.

90. You put a third down for rimu, a third down for white-pine, and the rest would be matai?—Matai, miro, and totara.

91. What estimate have you made of the quantity of timber per acre on the 6,000 acres? What would it cut per acre?—Roughly, I should estimate there would be from 15,000 ft. to 18,000 ft. per acre.

92. *Mr. Hone Heke.*] Mixed bush?—Yes; that is on the milling-timber.

93. *Mr. Mander.*] About 10,000,000 ft. in the lot?—Yes.

94. *Hon. Mr. Carroll.*] You said yesterday that your plant at the present time was in use at Dannevirke, where you are carrying on a milling business?—That is so.

95. In the bush you contracted for with Mr. Rathbone?—Yes. As a matter of fact, we have four plants there. One is on Mr. Rathbone's block.

96. How long ago is it since you got the lease from Mr. Rathbone?—I could not say to a year or so. I should think probably about five years ago.

97. Do you think the price of timber five years ago was anything near what it is now?—No, it was much lower.

98. Considerably lower?—Yes. We have everything to contend with now. Insurance rates are higher, and wages are higher; and the expense of producing timber was much lower five years ago.

99. For the purpose of comparison, the royalty you paid five years ago would not be of any value in connection with the rate you pay now, circumstances being so different?—That is so.

100. Did you say your intention was to cut out the bush at Dannevirke and then transplant your plants to these blocks?—Yes.

101. How long do you think it will take you to finish at Dannevirke?—I said that one mill would probably fall out in about twelve months, two plants in about two years, and the last one in about five years.

102. *The Chairman.*] In cutting your timber do you classify it as first, second, and third class?—We never have third-class timber. We have first and second class.

103. You only make two classes of timber?—Yes.

104. These prices you have quoted—2d., 3d., 6d., and 1s. 6d.—are all first class?—Yes.

105. How do you pay the Natives for second-class timber?—In the case of rimu and white-pine it is not like kauri—it is almost valueless. In the case of totara it would probably be sold at matai and rimu rates. The royalty would be paid as on matai or rimu.

106. *Mr. Fraser.*] You said your mill would be free to go there in twelve months?—Yes.

107. What would you do then?—We should have to select the site for the mill, put in a railway-siding and tramway, and we have to build a house for the men, put up the stables and the blacksmith's shop, and do a lot of work.

108. As a matter of fact, you have practically a year's work before you could set your mill going?—Yes.

109. *Mr. Hone Heke.*] In reply to an interjection by Mr. Mander, I think I heard you say that miro timber is used as rimu?—Yes, usually.

110. So by your agreement, although you sell miro as rimu for 3d., you will sell this as other timber, according to your agreement, at 2d.?—In all our deeds we have not one clause bearing on miro, because it is always agreed that miro and rimu are classed as the same thing.

111. You say that you give 3d. for rimu and you sell miro timber as rimu, but according to your agreement you sell it for 2d.?—Yes; that was meant to cover tawa and other trees not mentioned. We are quite prepared to take miro as rimu. We have never mentioned anything about miro, but a man expects to get rimu rates for miro. It is a thing that has been omitted, being a timber that is only scattered through the bush and never taken into consideration.

112. Are there any other trees that you treat as rimu or matai?—I do not think so.

113. In reply to Mr. Carroll, you made an estimate of the quantity of timber growing on the country before you entered into a contract with the Natives?—He asked me if I had any estimate of the value of the timber, and I said the estimate I made was 15,000 ft. to 18,000 ft. per acre—that is, on the milling acreage.

114. This 15,000 ft. to 18,000 ft. is a very low estimate, is it not?—I do not think so.