

12. But is there not a limit to what a man should be expected to pay for the production of timber?—Yes; but I think while we have timber fairly accessible in a country it should be the right of the people in that country to utilise that timber, and so exclude the imported article, always provided the community were not subjected to extortion.

13. Take the case of the Taupo Totara Timber Company, which has had to put down fifty miles of private tramway—iron rails—to cart their timber over those fifty miles, and then before they get a market the timber has to be drawn over 140 miles of Government railway. Is that within reasonable distance?—I think so. If they can put in plants which will enable them to compete in the open market, it does not matter if it is a thousand miles away. In fact, I think it does them credit. They have spent money in the country with the idea of establishing a legitimate industry and of competing successfully in the open market.

14. But has there been a system in the timber business of competition in the open market?—As far as I know there has. Our company has no connection whatever with any association, and I could name you several millers on the Coast who have no connection with any association, and who are at liberty to deal direct with the builder.

15. Were you connected with the association?—At the inception only. My interests with the association ceased when I went North. I have now no interest whatever in any combination or association.

16. We find the combination does not exist in the North as it does in the South. Were you a member of the association in the South?—Previous to 1901.

17. You were not a member of the association in 1902?—No.

18. Have you any recollection of a deputation of the West Coast sawmillers interviewing Mr. Seddon with regard to the Trade Monopolies Bill?—No.

19. You do not remember the President of the West Coast Timber Trading Association telling Mr. Seddon they feared the Trade Monopolies Bill would have a serious effect on the association, and that he believed that two-thirds of the millers on the West Coast would be thrown out of work?—No, I do not remember that. I submit that there is a great difference between an association and a combination. You might as well call a union of workers a combination as an association of millers a combination.

20. This Bill was to be for the purpose of putting down monopolies, and the president of the association feared that the passing of the Bill would mean the closing of most of the mills?—I have no recollection of the circumstances at all.

21. You said there were natural advantages possessed for the transport of timber in New Zealand in many ways?—I said we had all the natural facilities—a good coastal service, and so on.

22. Why, then, is the timber so much dearer in New Zealand?—I tried to explain. It is in a great measure due to the higher rates and taxes we have. We have higher royalty to pay; we have higher wages to pay; our men work shorter hours; and we have in the case of the West Coast to pay freight from Greymouth to Wellington, which is, I think, equivalent to the freight paid from Puget Sound to Wellington, so that it really puts our mills away back to Puget Sound.

23. Although we have it in evidence that the freight from Greymouth is high, you say we have natural advantages for transport of timber?—I say we have all the natural facilities. I do not say for a moment our freights are cheap, but I think it is not fair to put the Union Company, for instance, on the same footing as you would put a company that is trading from America here, because the Union Company have higher wages to pay and are subject to severe maritime laws. The Union Company, so far as I know, are not paying any extraordinary dividends.

24. Is not the method of transhipping timber from the West Coast by means of the Union Company's fleet an expensive method? Could not something be arranged to reduce the price of timber to the consumer by adopting means of transport similar to those employed in America?—It is just possible by employing Chinese crews, as Americans do, and trading under American maritime laws, the price of coastal freights could be reduced. I have had for the last eight years an interest in a schooner which has been running timber from Greymouth to Wellington, and I must say that every year we have had to put our hands in our pockets to keep that schooner running, and we get the same freight as is charged by the Union Company.

25. You spoke strongly against the placing of an export duty on kauri?—Yes.

26. If kauri is going out of the country, do you think it natural that something should be allowed in to take its place?—We have rimu here to take the place of kauri, and, as I pointed out, in a country like this, which is essentially an industrial country and a country which has large national obligations, we must be sellers rather than buyers.

27. With regard to this gambling experience in America, you said there was a lot of Chinese employed?—I said Hindoos and Japanese. The gambling was more in the bush camps, where the Europeans and Americans were. The Chinese, as I have said, have not so far invaded bush-work in America. They have kept to the mills around the large centres—chiefly around Vancouver.

28. *Mr. Leyland.*] You might mention the State that these documents refer to in connection with the truck system?—Louisiana.

29. Nothing to do with Oregon?—No, excepting that workmen's insurance and other deductions are made there; but it has all to do with American laws.

30. You know each State makes its own laws?—They have to be ratified by Congress.

31. But in their domestic legislation each State makes its own laws?—My only argument is that it is under the American flag, and, as it is an American law, it is possible to obtain in any State.

(The taking of evidence then closed.)

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