

38. *Mr. Nosworthy.*] You told us just now that the reason why they had not pushed things on was owing to the demand for the timber. Are you aware that most of the timber coming into Canterbury comes from Southland?—I have always understood that we did not get further than South Canterbury. Timaru would be about our limit.

39. I think the bulk of timber used in Ashburton comes from Southland?—I do not know that; Mr. Richardson will be able to answer that.

40. And the fact of erecting a new and up-to-date sawmill looks as if you had the trade for the timber you turn out?—The new and up-to-date sawmill consists of the wreckage of other mills.

41. It is really a consolidated sawmill?—Yes. It depends upon the area of bush within immediate command what size mill you put up.

42. *Mr. Anderson.*] How many acres in the Seaward Bush belong to Mr. Massey?—That I cannot give you.

43. Is it there an up-to-date mill is being erected?—I do not know the names of the bushes. Mr. Richardson could answer these questions more definitely than I can. I only know it from what I am told.

44. Is it a fact that there is a doubt as to the time in which the areas should be cut out and that it only referred to the original area? In the original regulations you could take 200 acres and then you would have a reserve of not less than 600 and you had to cut out 100 acres of this 600 acres every year and no time limit as to any?—No.

45. Time-limit—the 100 acres every year—is that a subsequent regulation? I will read the regulation: “Generally the area of a sawmill license shall not exceed 200 acres, but the holder may apply to have three additional areas of not more than 200 acres each adjoining the first reserved for his exclusive use: Provided that the reservation of any or all of such additional areas shall be at the discretion of the Commissioner of State Forests, and provided also that such holder shall not be allowed to fell timber on any reserved area until he has complied with the terms of payment and has otherwise complied with the terms of these regulations”?—When we paid for the timber it became ours.

46. It says, “in the Solicitor-General’s opinion”: was that meant that the whole thing would go on for ever?—No, not for ever. There must be a reasonable time, which a judicial tribunal would have to decide.

47. Has a judicial tribunal ever decided?—No, but a judicial tribunal often does decide similar questions. For instance, a contract specifies what shall be done, but mentions no time within which it shall be done. A Court would have to decide what that time was in the event of a dispute.

48. It has never come before a Court?—No.

49. *Mr. Forbes.*] “Reasonable time”—has the reasonable time been defined now between the Crown and Mr. Massey?—Yes. If we have not cut out in that time we lose it all without compensation.

50. In your opinion that is defining a reasonable time?—Yes.

51. *Mr. Coates.*] That is done for that purpose?—Yes.

52. *The Chairman.*] Was that opinion given after an appeal had been made to a Committee of the House?—Yes, the Government referred it to the Solicitor-General. The Committee’s recommendation was that they should have an inquiry into the legality of the whole six. They referred the matter to the Solicitor-General. His opinion was so definite that they said the best thing to do was to shorten the whole time.

53. What was the date of that agreement?—The 12th February, 1912. I think there was some correspondence and negotiations before which related to this agreement of 1912.

54. *Mr. R. W. Smith.*] This is the result?—Yes. There were two points: one was for Mr. Massey to have fresh licenses issued to him.

55. What would have been the position then?—Then he would have to work under the regulations to keep his sawmills going in regard to the different areas.

56. That was optional, whether he took it under that?—Mr. Massey thought it was better to keep his licenses which were good, and define the time.

TUESDAY, 15TH OCTOBER, 1912.

C. J. R. RICHARDSON examined. (No. 5.)

1. *The Chairman.*] What are you?—I am manager for the New Zealand Pine Company.

2. Have you a knowledge of this matter?—Yes.

3. Are you prepared to answer any questions the Committee desire to ask you?—Yes.

4. *Mr. R. W. Smith.*] I understood that you would be able to tell us shortly the areas of milling bush in that locality held by others?—Well, you see, Mr. Massey’s bush is situated in various localities: some of it in the Longwood Forest; some of it in the Spar Bush; some of it in Grove Bush, and the rest of it in the continuation of Seaward Bush. Seaward Bush is usually confined to the district between Invercargill and Kapuka. Massey’s bush can be termed a continuation of Seaward Bush.

5. Can you give us an idea of the largest area held by any one else down that district?—I think the Southland Sawmilling Company—speaking generally—I think they hold a larger area of Government bush than we have, although they may hold it under different names. I think the sawmilling company and Mr. Guthrie, who is a partner in the sawmilling company, are the holders.

6. *Mr. Anderson.*] Has this sawmilling company got mills on each area or are they reserves?—They have one mill at Tuatapere, and are erecting a second there, and they are working one a mile or two away, at Te Waewae. Then they have another mill down at the Tokonui Forest. I think the four mills are all they possess.