

imported goods during the ten months of 1920 ending with November, whereas the importations for the corresponding period of 1919 were little more than half that value. What seems to have happened is that the English manufacturer, by creating this impression of tremendous work ahead, loaded up his order list and worked it off at high prices. While the world was ready to buy at exorbitant figures, under an impression of continued scarcity in production, the "boom" continued. However, it commenced to burst over four months ago, while Mr. Dalton was talking in New Zealand about a mere temporary depression, and foolish traders at this end were swallowing stories from their buyers about the impossibility of prices dropping for many months. Prices did drop, but most of the goods are now in New Zealand warehouses, landed at the peak of the market. As we said last month, colonial importers "have had to carry the baby." It has left a bad taste in the mouth which Mr. Dalton's gentlemanly methods of controversy will not readily dissipate. The whole proceeding is reminiscent of the disclosure some years ago of the fact that "patriotic" British shipowners were giving special rebates to German and other continental goods shipped to New Zealand and Australia from Rotterdam and Antwerp, a fact referred to in the report of a New Zealand Royal Commission. If the silken ties of Empire were solely in the hands of traders, we fear that they would soon become somewhat frayed and threadbare. We must be thankful that stronger and finer considerations attach us to the Motherland. Mr. Dalton would be wise not to make himself too much the special pleader of a class at present somewhat under a cloud in this loyal part of the Empire.

BREAKING THE CIRCLE.

Credit is due to the Federated Sawmillers' Association of New Zealand for its decision not to pass on to the community the latest increase of three shillings awarded the timber employees by the Arbitration Court as a cost of living bonus. Timber prices have been so carefully "regulated" by the Board of Trade during the last few years, that no doubt this evidence of increased cost of production could have been added to quotations with an official certificate of fairness. However, the timber traders decided that someone had to break the vicious circle, and we hope that their good example will lead to rapid demolition of the artificial basis of our so-called prosperity. The world's prices of staple commodities are coming down to a normal level, and the movement is beginning to be reflected in New Zealand. Home builders complain—and we have specific details to support their contentions—that the average cost of a well finished dwelling today is scarcely less than £350 per room. Careful calculations of the increases in timber during the last few years of soaring quotations in every variety of material show that the increase in the cost of

timber works out at about £50 per room. The remainder is made up in higher costs of hardware, paints, and labour. It is well known that private building for letting purposes is an impossible financial proposition, and the experience of the Wellington City Council in erecting a few dwellings which it sold by private tender proves that a reasonable rent is not possible under present-day cost of building. Our definition of "reasonable" is that which the Railway Department can fortunately afford to adopt in connection with its dwellings for the staff. No matter what the capital cost, a week's rent payable by the railwayman does not exceed the amount he can earn in one day. A courageous stand on the lines of the sawmillers, if repeated in other leading industries, will bring us back to normal quicker than all the pleadings of the politicians or warnings from prosperous bankers.

TENDERING PROBLEMS.

When the educational system of New Zealand gets into difficulties owing to shortage of buildings, there must be something seriously wrong with the industry. Shortage of materials will not account for the whole of the trouble which has led the Minister—himself an alert business man with a good knowledge of the world—to urge Education Boards to throw the contractor overboard and carry out the work with their own staffs. A few of the Boards are following out this system, but as a result of a conference of those most concerned in providing buildings for education, it has been decided to give the tendering system another chance on fresh terms. The development is something more than the expedient of war times, when owners were sometimes glad to let a job to a contractor on a percentage basis. The weakness of that system was that even with a keen architect to watch his interests, the owner was largely in the hands of the builder. Honest as the builder might be, there was a false relationship which bred the suggestion that the builder's interest was best served by piling up the account. An improvement on this tendering system, adapted to New Zealand conditions by Mr. J. T. Mair, the Education Department's architect, is fully described in this issue, for we consider it of vital importance to the industry that the scheme should become well known in building circles. We need not cover the ground of Mr. Mair's article, save to say that the objectionable element to which we have referred is eliminated, and the builder has an incentive to make the job economical. One phase of the system of outstanding importance is that in letting this form of tender the owner should have good professional advice, not only on the job, but before the contract is placed, otherwise he might allow the work to be started by a builder who has not the resources to carry it out on the most advantageous terms. His organisation might be weak, and his buying capacity not equal to that of other firms in the trade.