

and I got no more interest at all until the year before last, when I received a dividend at the rate of 2½ per cent. on, of course, a reduced share—the shares were reduced by 7s.—and last year we got a dividend of 3 per cent. on the same thing. We have only paid two dividends for the last three years—one at 2½ per cent. and one at 3 per cent. on the reduced value of shares.

11. The effect of this legislation, if it became law, would be a further crusher?—I am afraid it would crush us out of existence altogether. I have run the Auckland mill for the last ten years, and have been simply working a dead horse. I hope things are going to take a turn for the better.

12. You have worked the whole thing steadily, with everything in order, and without any serious accident?—I have never had the slightest disagreement in connection with the men working in my employ. I think, speaking for myself, I have worked 365 days in the year, with the nights “chucked” in.

13. *Rt. Hon. R. J. Seddon.*] What are the total exports from your mills outside the colony?—One hundred and ninety-nine thousand pounds' worth, I think.

14. What is the total amount exported to the islands?—That I could not tell you in round numbers. I only know my sales have fallen off from four to five hundred thousand in a month.

15. Cannot you give me your exportation to the islands?—I could not tell you in the money; it used to be looked forward to as the great day for us when the island boat came in.

16. You came here well prepared, and laid great stress on the island trade?—I did not lay so much stress on that as Mr. Goldie did; but it is a fact that our trade has fallen off considerably in the islands.

17. Then, you quoted the prices of timber—the Oregon pine coming into Australia: is the statement made by Mr. Goldie, that you pay 6s. 6d. for the logs, correct?—Sometimes we pay 7s.

18. Under any conditions would it be a difficult matter to compete with America?—Yes, unquestionably. We wish to compete with America under any conditions.

19. To put yourself on that level you have got to sacrifice the capital value of the timber in our colony, and, in addition to that, sacrifice the labour in the colony—you would have to get the labour cheaper: there are conditions which make it impossible for you to compete?—To a great extent; nevertheless, there are certain lines we can manage if we are not crushed too low.

20. Do you know at what price timber can be imported from America into New Zealand?—We can import it at from 6s. 8d. to New Zealand.

21. The next thing will be we shall have to compete with American timber in the colony ourselves?—Yes; we are at present getting a good deal of American timber here.

22. At the present rate you are exporting kauri timber, how many years do you think it is going to last?—As far as we are concerned, about fifteen and twenty with the kauri. Kauri can never be reproduced. It is being spoilt by fires and rotting.

23. Coming to your mills, what is the capital value of the plant now as compared with what it was when you started?—I guess there is a depreciation. I gave you the capital value—that is, the capital value we had. The value of the running-plant is £158,000.

24. What is the value of the timber standing and the land that is leased?—I could not tell you that. That is a matter more for the clerical department.

25. You have been securing land and timber, have you not, during the last few years?—I think the Kauri Timber Company have not secured any fresh leases; I do not think we could afford to do so.

26. Although you can give us the value of your machinery and plant you cannot give us the value of your timber?—No.

27. Has your standing timber gone up in value or decreased in value during the last few years?—I guess it has decreased in value. We have had fires, and different other things that have happened. It has decreased the value of our standing timber.

28. Have you had many fires?—Yes, in the Kaiapoi, two years ago.

29. Do you say your standing timber has depreciated in value?—I am not in a position to swear to that. I am a practical worker and do not do much in the clerical line, except in getting matter of this kind.

30. Out of your profits on the working of the mill, have you used any of that capital for capital account?—I believe there has been some taken off debentures.

31. How much?—I could not tell you.

32. You told us about the dividends. If you are paying off debentures and capital account—? Under the terms on which the money was borrowed there had to be a certain amount paid off.

33. If you have been paying off the debentures out of profits, you could not have it both in the way of dividends and reducing your debts?—I differ with you there. If I make £1,000 and owe £750, it would not be fair for me to say I had made £1,000.

34. If you borrowed £100,000, and paid that off, you would pay that out of profits—the interest and principal? Surely you are improving your business?—If you place a mill down in a bush and cut that bush out, your plant is worth about old iron. It is a fact that in Auckland you will find plenty of sawmills like this.

35. What is your timber worth now?—I showed in my address that in reducing the hours we are not in a very good position now, and doing this and paying for overtime will make it considerably less.

36. All this has a bearing on the case, because you urged you only paid two dividends?—That is all I got.

37. I have companies in my mind's eye that never paid dividends, yet the shares are at a big premium?—People are very foolish to invest in them.

*Rt. Hon. R. J. Seddon:* No, they are improving their properties.