

in my mind's eye. I have seen magnificent furniture made of it. I believe that, if it were properly pushed in France, Germany, England, America, and Canada, there would be no talk about any depreciation in the value of rimu.

71. *Mr. Barber.*] You stated that you have not specified Oregon in any of the buildings you are architect for?—That is so. I merely stated that as a fact. For some two years I have not been in a very good state of health, and have not been in such active service as for the previous twenty years, and Oregon has come in in the meantime.

72. You can quite understand architects in the South specifying Oregon, owing to their inability to get kauri?—Yes, I can.

73. You have given us the effect of the timber combination here in one instance: has it been brought under your notice in any other instance?—No. That is the only specific thing that I could mention.

74. Do you think, generally speaking, that the combination affects the general public in any way?—I merely state that I am conscious there is no internal competition. There is a uniformity of prices, and I take it it is either an understanding or it is fixed by rule. Those whom I have spoken to have said that they are not at liberty to undercut, and they do not undercut. I should like to believe there is nothing of the kind in existence in this Dominion of ours.

75. Still, you believe there is a combination which is detrimental to the public?—That is common talk, and I hope this Commission will clear it up.

76. If the Government Architect stated that as a result of practical experiment he was able to erect a four-roomed cottage of 9 in. solid concrete for only £6 more than he could erect a similarly designed house in wood in Wellington, would you believe it?—If the Government Architect stated that, I should, of course, believe him, and I do not see anything at all unlikely in it from what I know of the subject myself, and I am specialising in it.

AUCKLAND, TUESDAY, 11TH MAY, 1909.

HENRY VALDER SWORN and further examined. (No. 112.)

1. *Hon. the Chairman.*] We should now like to hear your statement in regard to the timber industry?—I will read it.

My company own four sawmills in the King-country, and a sash, door, and butter-box factory at Hamilton; the capacity of our mills being about a million and a half a month, and at the present time we employ between three and four hundred men. In making my statement I have taken the order of reference as stated in the direction to the Commission, an extract of which from the *Gazette* was sent me by your secretary.

1. *Cost of Felling*—that is, logging from tree to truck. Although there has been a rise of at least 10 per cent. in wages during the last few years, and the cost of supplies generally has advanced considerably, cost under this heading has not increased in the same ratio owing to improved methods of working the bush with steam haulers in place of bullocks. This new method, however, entails a much heavier outlay than under the old system; but even after allowing for this and wear-and-tear generally of machinery, ropes, &c., it has undoubtedly been the means of keeping the cost down. Another advantage is that bush that before would be considered inaccessible can now be worked, so the steam hauler has practically increased the area of millable bush that can be worked profitably. Our average cost for the past three years of logs from tree to truck is 1s. 9'6d. This includes wages, repairs and maintenance, tools, and depreciation.

*Cost of Trimming*.—This is an item that is not particularly mentioned in the direction of the Commission, but one that cannot by any means be overlooked, as in my company's bushes it is as much a factor in the cost of production as either "felling" or "cutting," a fact that I feel sure the members of the Commission will thoroughly appreciate after visiting the King-country mills and bushes. At our Mananui mill we have over five miles of steel tram-lines, and at our Manga-peehi mill over fourteen miles. The average initial cost of construction of these lines exceeds £1,000 per mile: this, of course, is irrespective of maintenance, which is a heavy annual charge. I should like to point out just here that when the bush is worked out these tramways will be of great benefit to the settlers, as, being properly graded, they will no doubt be used as roads, and future inhabitants of these districts will have an advantage in this respect that many of our present backblocks settlers would greatly envy. The cost under this heading amounts to 1s. 8'14d., including wages, repairs and maintenance, depreciation of running plant, and sinking fund.

2. *Cost of Cutting*—that is, milling, yarding, and loading the railway-trucks. The costs under this heading have increased during the past few years in a greater ratio than the logging and trimming, principally owing to the rise in wages and reduction in hours of working. Another factor in increased cost is the advance in price during the past few years of all plant, materials, and mill-supplies, by no means an unimportant item in the cost of production, as the books of the merchants who cater for this trade would show. I should like to remark just here that very few people outside the timber trade realise what a large amount of money is paid annually by the saw-millers to the foundries and merchants for mill plant and supplies, and there is no question that the business of these merchants must be seriously affected by the depression in the sawmilling industry. Another factor in increase of costs is that more attention is paid to classing the timber than formerly. The total costs under this heading amount to 2s. 11'94d.: this includes wages for sawing, planing, and yarding, repairs and maintenance, saws, belting, tools, and depreciation of plant.