

3. *Price when sold to Consumer.*—The following is a list of our gross selling-prices for a period extending over five years—viz., 1903 to 1908—by which it will be seen that rimu has risen on the average over all the classes $7\frac{1}{4}$ per cent., and totara $4\frac{3}{4}$ per cent.:—

		Rimu.					
		1903.		1908.			
		s.	d.	s.	d.		
Ordinary building	...	12	6	13	6	Rise,	$8\frac{1}{2}\%$
Heart	...	15	0	16	0	„	$6\frac{2}{3}\%$
Selected heart	...	18	0	18	3	„	$1\frac{1}{2}\%$
Rough heart	...	11	6	12	0	„	$4\frac{1}{3}\%$
Second-class	...	9	6	10	9	„	$13\frac{1}{3}\%$
Rough lining, $\frac{1}{2}$ in.	...	8	0	8	6	„	$6\frac{1}{4}\%$
„ $\frac{3}{4}$ in.	...	9	6	10	6	„	$10\frac{1}{2}\%$

An average rise on the seven classes of, say, $7\frac{1}{4}$ per cent.

		Totara.					
		1903.		1908.			
		s.	d.	s.	d.		
Ordinary building	...	13	0	13	6	Rise,	$3\frac{3}{4}\%$
Heart	...	20	6	20	0	Fall,	$2\frac{1}{2}\%$
Clean heart	...	21	6	20	0	Rise,	$2\frac{1}{2}\%$
Rough heart	...	13	6	15	0	„	$11\frac{1}{2}\%$
Seconds	...	10	0	10	9	„	$7\frac{1}{2}\%$

Or an average on the five totara classes of, say, $4\frac{3}{4}$ per cent.
The average on the whole twelve classes is $6\frac{1}{4}$ per cent.

No doubt the general public and many builders are of the opinion that the price of timber has risen much more than stated. This I think is due to the fact that every other item in the cost of building has advanced very much more than timber; but, unfortunately for the reputation of sawmillers, most people seem to think that timber is responsible for the whole of the increased cost of building, whereas even if timber had advanced in the same ratio as the other items of cost in a building, which it has not, it would only be responsible for one-third of the advance, this being roughly the average proportion of cost of timber in the type of house usually built in this district. The prices stated are subject in the Waikato district to the following discounts: General public, $2\frac{1}{2}$ per cent.; builders, $2\frac{1}{2}$ per cent. and $2\frac{1}{2}$ per cent.; dealers, 10 per cent. and $2\frac{1}{2}$ per cent. These prices and discounts apply to any station between Papakura on the north and Waimarino on the south. For the Auckland district the prices are about 1s. per hundred feet higher, and are subject to the following discounts: Builders, $7\frac{1}{2}$ per cent. and $2\frac{1}{2}$ per cent.; dealers, $17\frac{1}{2}$ per cent. and $2\frac{1}{2}$ per cent. Practically the whole of our Auckland trade is done by dealers.

4. (d.) *The Price when sold by Dealer to Consumer.*—The before-mentioned prices and discounts will apply, as the dealer gets his profit out of the higher discount he is allowed by the sawmiller; so the consumer can buy from either the sawmiller or the dealer at the same figure. The larger part of our business in the Waikato district is with the builder.

4. (e.) In this locality the middleman and the retailer are one and the same, being included in the term "dealer."

5. and 6. My company hold no Crown land for sawmilling purposes other than the sawmill-sites at Mananui and Mangapeehi. Our timber-rights are all in the form of agreements with Natives, under which we have the sole right to mill timber on certain defined areas.

The average amount we pay for royalty is 7.54d. per hundred feet.

7. *The Extent to which Oregon Pine is imported, and the Effect on Local Timber.*—Our local trade is practically not affected by importation of Oregon anywhere south of Papakura; but, as a fairly large proportion of our trade is with Auckland (and we look to this market for an increasing business), the importation has undoubtedly affected our business there, principally in the ordinary building class of scantling and framing timber, and I am of opinion that a sufficiently high duty should be imposed to prevent Oregon timber coming into competition with the class of timber mentioned. My reasons for this are as follows:—

(1.) Every hundred feet of Oregon imported into the Dominion takes the place of a hundred feet of local timber. The cost of wages only in 100 ft. of timber produced by us is 5s. 6.60d. By allowing Oregon to come into the Dominion it decreases the possible earning-power of the working-man of this Dominion by 5s. 6.60d. for every hundred feet of Oregon imported, and throws a proportionate number of men out of employment. To my mind the Oregon importations will affect the working-man more than the sawmiller; the effect on the latter is that his plant may be idle or not used to the full capacity, but the working-men, or a proportion of them, would have to leave their homes and seek employment elsewhere.

The village settlement of Mananui, which the Commission visited, is populated entirely by sawmill employees and their families. Each one of them has bought land—1-acre allotments—from the Government and built a house on it. I do not for one moment believe that the Commission will take the responsibility of allowing the competition of Oregon timber to drive these people from their homes and seek employment in the already congested cities, for there is no other employment for them in that district.

(2.) As Oregon is practically only used at seaboard towns, it follows that, wherever it takes the place of local timbers produced at inland mills it will reduce the sum paid by the inland mills for freight to the Railway Department in proportion to the quantity of Oregon used. The freight from my company's Mananui mill to Auckland is 3s. 6d. per hundred feet.