

36. You wish the Committee to understand that, so far as the tests are concerned, the Parapara iron-ore is of more commercial value than the ironsand?—I should think so, as far as my information goes; and iron from it can be produced at less cost. There is the small initial cost of putting it in the furnace, which is only 3s. 6d. a ton; and then the much shorter time required to smelt it as compared with the time required to smelt ironsand, which is a saving both in labour and coal.

37. *The Chairman.*] Are there any other facilities at Parapara—any other materials used?—There are limestone and coal adjacent.

38. *Hon. Mr. Mitchelson.*] It is bituminous coal?—Yes; it makes suitable coke.

39. *The Chairman.*] Has the Onehunga Ironworks Company a right to any coalfield there?—The Onehunga Company possess rights to lime, coal, and iron.

40. Then the company would be able to supply itself with those materials, including coal?—Certainly; but I should say that the extent of the coal-deposits has to be proved.

41. What coal has been used at Onehunga?—Collingwood coal coked, and some Greymouth coal, have been used in connection with the Parapara test.

42. Do they use any Newcastle coal?—No, I think not. Limestone, coal, and coke were brought up from Collingwood, so that we might make a test with the products available on the ground.

43. *Mr. E. M. Smith.*] Seeing that the report you have handed in of the test will be disputed by me, will you accept an independent test by the Government as a proof as to which is the best iron in all its stages, and also with regard to the question of cost and all questions bearing on the subject?—It would depend very much on the *personnel* of the Commission that would make the test.

44. *Hon. Mr. Mitchelson.*] If the Government appointed a Commission to make the test, it should be done at the Government expense?—Yes, it should be done at the Government expense. It is not a question on which I wish to set up any rivalry.

45. *The Chairman.*] Mr. Smith's object is to ascertain whether you are quite satisfied with the last test so far, or whether you would be willing that another test should be made, to be conducted by other persons than those under your direction?—Yes, quite willing; if not at the company's expense.

46. *Mr. E. M. Smith.*] There are two brands of iron made, one from the Parapara ore, and the other made from ironsand sent up from our works by the men, free of expense to the company; and the evidence I shall give will prove that the product of the ironsand is far superior to the other production in every shape and form. As to the cost of its production as compared with the Parapara iron-ore, I want that to be decided by an independent authority?—I have no objection to any tests being made if they are not conducted at our expense.

47. *Mr. Tanner.*] I understood you to say that the Onehunga works were placed entirely at Mr. Smith's disposal?—The furnace was placed entirely at his disposal, and he had full control of it throughout.

48. I understood from Mr. Smith that the ironsand had not a sufficient test in the brief time allowed?—That was suggested by his question.

49. Was the time placed at Mr. Smith's disposal unlimited?—Yes; I think Mr. Smith will bear me out in that. There was no restriction whatever. He was given fair play in every way. Mr. Smith admitted this to be quite correct. I would like to add one thing: the report on the test is made by a gentleman who had sixteen years' experience in the largest ironworks in England, several years in a managing capacity.

50. *Mr. Duncan.*] In what works was he engaged?—In the Cleveland Ironworks.

51. *The Chairman.*] Was he brought out by the company to undertake these operations?—No; he came out for the benefit of his health, I believe, and was invited by me to give the company the benefit of his experience in superintending the tests.

WEDNESDAY, 10TH AUGUST, 1892.

Mr. E. M. SMITH, M.H.R., examined.

1. *The Chairman.*] You have volunteered, Mr. Smith, to give evidence upon the iron industry?—I wish to supplement what Mr. R. Thompson has said about the galvanised-iron industry in Auckland. I know that they have very extensive works, and are turning out an article equal to the very best English: they are also of very great assistance by taking the black iron made at the Onehunga works and using it up; and if, as Mr. Holmes in his evidence has stated, the tariff were increased to the amount proposed by him, this industry would be permanently established in the colony. This is all I have to say on that subject. So far as my own affair is concerned, I do not wish to enter into any controversy, or attempt to prove or disprove anything stated by Mr. Holmes. I quite agree with him that the tariff he proposes to put on will be the means of establishing permanently in New Zealand the iron and steel industry. So far as to the difference in quantity or quality in the work from the ironstone or ironsand, that will be dealt with by private enterprise. I may state that, after devoting twenty-six years to the manufacture of iron in New Zealand, it appears to me the time has arrived when we can make the whole of our rolling-stock and plant for our public works and railways in the colony out of colonial material at a cheaper rate and of a better quality than that which is now used in the colony and imported from other countries. The samples that I have on view here, if submitted to experts, will prove the truthfulness of my statement. That is all I have to say. I have some correspondence here that I would like to be read. There is one other thing that I should like to say—it is this: It is not likely that a Committee of this kind could go sufficiently extensively into the question. I would suggest that this Committee should recommend the Government to appoint a Royal Commission to go fully into the matter, and to deal with it and the coal. I consider it a subject of sufficient national importance to justify them in doing so.