

508. But all unworkable except with cyanide?—I do not say so.

509. Why have they not been worked before?—There have been a number of reasons why. The difficulty of access in many cases has been the cause.

510. How long has the railway been running to Reefton?—I think it has been running about nine years.

511. Surely this difficulty of access has not interfered during the last nine years with the development of these quartz reefs?—No; but, as I have already said, I think the principal factor to which I attribute the improvement likely to occur is the introduction of free cyanide.

512. Then, I put it to you that the quartz reefs are not profitable except with the use of cyanide, otherwise during the last nine years they would have been worked?—Well, the system under which the mines were originally worked was such as to make them non-payable. The system under which the gold-mines in the district are now worked is more scientific than that which has been employed in the past. For instance, I can illustrate what I mean in this way: The crushing in the first instance was of a very coarse and primitive style; the gratings that were used only carried such a thing as 125 meshes to the inch. Well, now there are something over a thousand.

513. But all that has been available for some time: why have not companies been formed before this to exploit these quartz reefs?—I cannot say why they have not, but, as a matter of fact, they have not.

514. Why have they not, the access having been there and the cyanide process having been discovered? Why do you say there is going to be such a boom in quartz-crushing in the near future?—The advent of cyanide is only of recent date.

515. It has been in use in the colony for ten years at least?—True; but it has not been in the Reefton district.

516. It comes down to this: that it is the cyanide process which you say is going to cause a boom within the next ten years in quartz-mining?—I am quite of that opinion.

517. Is the cyanide process available for all ores?—That I am scarcely prepared to answer directly. I have heard, of course, that the different ores require a different strength of solution.

518. I will leave the gold question now. The coal you speak of is a household coal—a brown coal—is it not?—Yes.

519. Do you know whether it is useful or valuable for steam purposes?—It is used in the Reefton district for steam purposes.

520. Do you know whether it could possibly compete with the black coal for steam purposes?—That I cannot say.

521. Your difficulty so far in export has been the question of price?—Yes.

522. You cannot at present compete for foreign trade or other parts of New Zealand with either Westport or Greymouth?—We can compete in so far that the Reefton coal commands a higher price than either of the coals you have mentioned.

523. But your price is necessarily so high that you cannot create a trade?—We could compete profitably provided there was a connection with the present railway. I want the line to be extended across the Inangahua River.

524. To where?—A distance of three or four miles would tap a lot of the coal.

525. Supposing that were done, you say you would be able to send coal into Greymouth to compete in Lyttelton and Wellington with Greymouth and Westport coal for household purposes?—I say so. We could afford to pay the additional railage in consequence of the additional prices to be got for the coal.

526. Why has it not been done in the past? The coal has been there and the railage has been there: why, if it has not been done by private enterprise in the past, is it to be done in the next ten years?—The land has all been locked up.

527. You mean the company has had the coal?—No; the Government set aside mining reserves which embraced all these fields, and you could not get a license until these restrictions were removed.

528. Well, are companies being formed now?—Yes; I know of one instance where a company is being formed, I believe, in Canterbury.

529. With what capital?—That I cannot say. It has only been initiated very recently. I know the locality of the coal, and I know that steps are being taken to open it up.

530. You know there are large coal areas in New Zealand. Take, for instance, this Point Elizabeth area here, and the Mokihinui and the Westport-Cardiff areas, to which railways have been opened, they have not been and are not being worked profitably?—So I have heard.

531. You anticipate, nevertheless, for this coal, available only for household purposes, a profitable output and trade?—Yes; I think there is a market sufficient throughout New Zealand to warrant the extension of the line, and to warrant an output that would keep the trains moving with a back load.

532. Do you think you will be able to sell at a lower price than Westport coal?—No, I do not think we should be able to sell for a lower price, because there is additional railage; but we might.

533. Do you anticipate that you will be able to sell Reefton coal at a lower price than Westport coal?—No.

534. Then, you will have to compete on level terms and even prices with the Coalbrookdale coal?—As a matter of fact, I have already said the Reefton coal commands a higher price than other coals in any part of New Zealand.

535. *Dr. Findlay.*] It is 7s. 6d. per ton more in Greymouth than Coalbrookdale?—Yes.

536. *Mr. Bell.*] Than Greymouth coal?—Yes.

537. For household purposes?—Yes.