3. No, they are very different crowds?—I cannot remember the names of the people referred to. I recollect seeing some financial people who were introduced to me by Mr. Witheford, and whom I understood were of high standing, but I made no inquiry about them at the time. I should think it would be a very easy matter to ascertain what their status is, if it is necessary to do so.

4. *Mr. Skerrett.*] It has been suggested to me, Sir Joseph, that the people who approached you in New Zealand were not the Onakaka but the Parapara people, and when you went to London you saw Mr. Witheford as representative of the Onakaka at that time?—The people who came to Wellington and interviewed me officially, I thought from memory, were the Onakaka people, but on being reminded by you it was, I feel sure, the Parapara people.

5. *Mr. Sidey.*] When the matter was mentioned to you in the Old Country you thought that these two companies should combine?—I was personally anxious to see the iron industry established in this country. I felt sure it would be a great and valuable industry, and was of the opinion that if two companies attempted to get under way separately it would make both of them in all probability failures or in any case delay the establishment of the industry for years, as in my opinion there is not room for two.

6. At the time that legislation was suggested were you aware whether these parties had come together?—Regarding that I can speak only at the moment from memory, but the position is on record whatever it was. I understood they had come together, but I am not sure whether they finally came together or not. The proposal as submitted to me is on record, and I would suggest that you refer to the records.

7. *Mr. Craigie.*] I think you mentioned, Sir Joseph, that if these people embarked their capital in the industry they would take a fifteen or twenty years limit?—I think in the Bill it was fifteen years, but I should say twenty years would be a fair thing, with the right of the Government to acquire the industry, and if at the end of that period the Government did not acquire it, the right of extension of the agreement for a further twenty years should exist. If it is to be done effectively it should be done properly, and the State should get its materials at cost price, plus 5 per cent. Originally the State proposed giving a subsidy with the cost of freight added as between England and New Zealand. The gentlemen who represented the Ethelburga Company, Mr. Albert Pam and Mr. Vowles, told me that it would be no use to a company which proposed carrying on in a big way, because if £650,000 was to be invested they would want definite financial arrangements, and if cost of freight were to be added it would be too uncertain. I know nothing personally of the Onakaka and Parapara deposits or their possibility, excepting in a general way from the papers in connection with the late Sir Alfred Cadman's estate, which have on several occasions been brought before me by the Public Trustee. I would like to see so great an industry established, but I have not at any time recommended any one either in New Zealand or England to go into it, because I have not any personal knowledge of its prospects. It ought to be all right if fully equipped and well managed. Sucn an industry should be established if possible. The proposal of freight being added to the cost of production was a thing the Home people told me they would not entertain.

8. *Hon. Mr. Fraser.*] One of the proposals was that 5 per cent. should be paid on the amount of the capital embarked in the industry?—Yes, up to, I think it was, £650,000.

9. I think that was for twenty years: would not that mean the company at the end of twenty years getting every shilling back?—Yes; and against that, if the New Zealand Government could get its iron and steel at the net cost price, plus 5 per cent., one should be about the equivalent of the other.

10. I do not refer to the question of what would pay New Zealand, but the proposition by which a company or syndicate embarked its money with the guarantee from New Zealand that the whole of it would be paid back in twenty years is one which not much difficulty would be found in raising money on?—In that case the money ought to be raised without much difficulty.

11. *Hon. Mr. McKenzie.*] Do you think the proposals in this Bill are fair and equitable, as far as the company is concerned?—I have not read it.

12. Plus 5 per cent. on the cost of production?—Well, I do not know from memory what the quantity of material is which the country imports. The idea underlying the whole proposal was, if we could establish the iron industry it would give other large industries a fillip, added to which the Government would be getting the material for the country at cost price, plus 5 per cent. I am of opinion it would be a good thing to do this, unless it can be shown that it can be done better.

13. *Mr. Nosworthy.*] If the iron-deposits at Golden Bay are as rich as reported, would it not be good enough for any company in the world to come in and work them, seeing they could send a certain amount to South America? Apart from the amount the New Zealand Government would take, steel rails could be manufactured and shipped to South America?—Of course, the one thing which was concerning the people who spoke to me about it in the Old Country was with regard to the question of labour here, and they quoted the very heavy contributions given by other countries in the way of subsidies. I should say it would be a good business proposition for the country if it could be done without a subsidy.

14. Do you not think it is good enough for outsiders to come in and work it without State aid?—I should very much doubt it; but I do not profess to have any practical knowledge of carrying out such a great undertaking.

15. *The Chairman.*] In framing your Bill last year you understood the Government would be under contract to take all its iron and steel from this company?—Yes.

16. Was it your impression that in getting it at the cost of production, plus 5 per cent., the New Zealand Government would get its iron and steel cheaper?—Yes, it would mean us getting our supplies at much lower cost than we have been importing them at. And, in addition