

52. If the Government arranges with this company, would it be wise to apportion the tariff and put iron and steel on the free list?—No; we can produce the same as they can do in the Old Country. I would be quite willing to drop the whole matter of tariff revision, feeling sure we could carry on without the assistance of any tariff.

53. If all the manufacturers of iron were put on the free list, would not that help the syndicate to sell?—Yes.

54. Have you gone into the question of the value of this goodwill after forty years?—I could not say unless I knew something about the increase of population in forty years.

55. Supposing they established a large trading concern in forty years, you could not give some idea of the value?—Oh, yes.

56. Assuming this company was prepared to carry on, do you think they would be prepared to pay back something for the goodwill at the end of forty years?—I think the country would be quite justified in asking for a substantial goodwill.

57. Have you any idea of the quantity of castings imported into New Zealand now?—Under the heading of "agricultural machinery," including cast iron, we imported last year £2,364,384 worth—in five years just on £13,500,000 value.

58. With regard to the establishment of a manufactory for the iron and steel industry, would it give an impetus to the agricultural and mining industries?—Yes, and to every other industry. In agricultural machinery we import about £186,000 worth yearly. The manufacturers would be able to turn the whole of that out and sell to the farmer at present list prices less 10 per cent. During a conference with the Farmers' Union it was stated that one firm would be able to manufacture all the reapers-and-binders, and could turn them out at a less price than those imported.

59. Do you think it would be to the advantage of New Zealand to accept this offer of the Ethelburga Syndicate?—Yes.

60. Do you know whether any other company has started to work these deposits at Parapara?—I do not know. I understand that there is another company, but I do not know anything about it.

61. If advantage is not taken of this offer do you think there is any probability of any other offer coming along within a few years?—No.

62. *The Chairman.*] Can you supply that authority with regard to the syndicate?—I cannot speak with any authority.

63. *Hon. Mr. McKenzie.*] Are you satisfied it would be a very great advantage not only to the engineering shops, but ironworkers generally, to have these industries worked as well as other industries?—I think it would be of the very greatest importance. The United Labour Party affirmed the necessity of the establishment of the iron industry in New Zealand, but they incline towards the nationalization of the industry. When I went into the figures with some of them they said they thought the very best thing the Government could do was to accept the offer.

64. Do you know that large quantities of iron are imported into Britain from Bilbao, in Spain, and Sweden for the manufacture of iron and steel?—Yes.

65. You cannot give us any information with regard to the cost?—No.

66. Do you know whether it has been estimated that the facilities for getting iron-ore at Parapara would counterbalance the difference in labour as between England and New Zealand?—I have seen it stated that the Parapara people are in a unique position with regard to their iron-ore, and that they have an enormous water-supply by which they can manufacture electric steel by electricity without the aid of the blast furnace at all.

67. Have you ever been to Parapara?—No.

68. Are you fairly well satisfied that the raw materials would counterbalance the cost of labour as between England and New Zealand?—I think so, judging by the reports I have read.

69. *Mr. Nosworthy.*] Is there any possibility, by this company coming in here, of the initiation of an element of the Steel Trust: does this firm belong to the combine?—I do not know.

70. *Mr. Wilkinson.*] If the ironworkers did not get the iron at a lower price, no benefit would be derived by them?—No, except in so far as we all benefit by the expending of a large sum of money in New Zealand.

71. Do you advocate that restrictions be made in regard to prices?—Yes.

72. You said something about cast-iron pipes: would it not be possible to make them in New Zealand?—No; we are not able to compete with the Home market under present conditions. The Customs value of the pipes and fittings runs out at £11 per ton. We could make them here if we got the raw material at £2 less.

73. You estimate the cost of slag at £2 per ton and the selling-price to-day at £5 per ton?—Yes.

74. The same restriction would have to apply in regard to the price of basic slag?—Yes.

75. It seems to me that the company would get the utmost possible price for the product unless restricted?—Yes.

76. *Mr. Nosworthy.*] Did I understand you to say the freight was the same on iron pipes as on pig iron?—On iron pipes it is £1 6s. 3d. a ton, and on pig iron £1 1s. 3d.

77. How do you account for that, seeing the pipes are hollow?—They use pig iron as ballast very often; large importers arrange for so-much "bottom," and if the space is not filled up they fill it up with pig iron or cement.

78. *Mr. Skerrett.*] I understand that you are in favour of a subsidy being given for the production of iron and steel in New Zealand?—Yes.

79. Have you considered the question of whether that subsidy ought to be able to be earned by another company or not?—I think they ought to be made a joint thing, and at the same time made one, in order to restrict useless cutting of prices to a certain extent. Price and Sons, at