

11. What proportion, roughly, would you use of bar iron, steel, and so on—you import pig iron?—We would import 250 tons or thereabouts of pig iron. We always buy locally perhaps £100 worth a month of bar iron.

12. Would you mind saying whether you are in any way—except, of course, from the point of view of your own business—directly or indirectly financially interested in any proposal to establish this iron industry in New Zealand?—I have not a halfpenny's worth of interest in it.

13. You are not concerned in the Ethelburga Syndicate or the Parapara Company, or any of the other concerns which may be interested?—No. The Ironmasters' Association and Industrial Associations are taking an interest in this.

14. Have you been considering the advantages of having this iron industry established in New Zealand?—Yes.

15. You are a member of the employers' association?—Yes.

16. Are you a member of the Industrial Association also?—Yes.

17. Has this question been agitating the minds of the executive of these associations?—It has, and they have passed resolutions in favour of this particular industry.

18. Are you able to say, Mr. Dunbar, whether the raw products required in such a business as yours can be successfully manufactured from the iron in the neighbourhood of Parapara?—I am certain of that, provided they had a plant capable of doing it.

19. I think you have, as a matter of fact, samples, have you not?—Yes, with me.

20. This sample is iron from Parapara ore?—Yes.

21. Would you mind handing that in to the Committee?—Yes. [Sample of iron handed in to the Committee.]

22. You have also a sample of the material manufactured from Taranaki ironsand?—Yes. This is a new alloy, and supposed to be of great commercial value. [Sample put in to the Committee.]

23. Taking that piece of Parapara iron, is that a satisfactory production?—You could hardly tell by looking at the iron; it is only a matter of analysis, and it has been manufactured to make it illustrative of what you want to bring it to—a good grade of pig iron. Pig iron is graded, you know. We all get what is called No. 1 up to No. 6, which is all from the same mines.

24. Mr. Dunbar, will you say as the result of your consideration of the matter that it would be advantageous to this country to have the iron industry established in the neighbourhood of Parapara?—Most certainly.

25. Have you gone into the question and considered it with a view of coming to your own conclusion as to whether the industry can be best established by a company or as a national concern?—Looking at it in all lights, I believe the interests of the Dominion would be better served by a private company taking on the work.

26. Do you think it possible, having regard to various matters which you have considered, and having regard especially to the question of procuring markets, that the nationalization of this industry is favoured?—I do not think so from the business point of view; I should say it would not.

27. Do you think that the establishment of the iron industry would be possible, either as a national concern or by a company, if the only market which the works had was the New Zealand market?—It would not be worth while. You might as well throw your money into the Pacific.

28. Leaving out consideration for the moment of the fact that Australia is itself considering the establishment of the industry, do you think that the Australian market would be sufficient to support works similar to Parapara?—That would all depend upon the price that it could be produced at. There is German competition there. We have in New Zealand a preferential tariff as against German rails—they might not find the market.

29. I was considering the question of the quantity required in the market. Do you think that Australia alone, without any foreign markets, would afford a sufficient market to justify the establishment of works on as large a scale as those proposed at Parapara?—No. There would not be sufficient, in my opinion, to warrant the establishment of works such as ought to be erected to work out the Parapara deposits.

30. You know, do you not, that Australia is itself considering the establishment of works?—Yes.

31. Would you say, then, it is natural to assume that the Australian market is now lost to the New Zealand works?—I should say so.

32. Do you think it possible for a Government working a concern of this kind to go looking about for foreign markets?—I certainly do not. I know what travellers are, and have had a good deal of experience with them. That is a very important point: the cost of production is one thing and selling the finished article is another thing. It sometimes runs to a difference of 25 per cent.—that is, the cost of selling.

33. May we take it, then, that in your opinion—whether that opinion be right or wrong—nationalization of the industry is not possible at the present time?—I should certainly say, looking at it from all points of view, that it is not possible for the nation to go into competition with the ironmasters of the world.

34. And in your opinion the New Zealand market is not sufficient to justify the erection of works?—No, it would be so-much loss—you do not want a small market.

35. Do you know anything about the South American market—I mean as to the quantity of iron they are likely to absorb during the next few decades?—Only from reading; if new countries open up there must be a market.

36. If, therefore, a company had not only the New Zealand market to sell to, but had a certain amount of control over foreign markets, such as South American markets, do you think it possible such a company could carry on the iron industry successfully in New Zealand?—Provided that costs are right their success would be assured, because of the market.