saving to the Government of freight upon every ton of iron it had to purchase in New Zealand?—That is apparent.

54. Do you know what the cost of freight is on the iron requirements?—£1 1s. 3d. at present.

55. And there are other charges in addition to freight?—Yes, landing charges, duty, and so on.

56. When you say the freight is £1 1s. 3d. per ton, are you referring to all iron and steel or to pig iron only?—To pig iron.

57. Is the freight on bar iron and steel greater or less than on pig iron?—It is a shade more, subject to fluctuations without notice.

58. If, then, the company could produce its iron in New Zealand more cheaply than, or even as cheaply as, it might be produced in England, do you say that there would be a considerable saving then in freight and in charges, apart from any other consideration?—There must be, because a Home pig-iron manufacturer charges more as a selling-price than 5 per cent. on his cost, while added to that we have to pay the freight.

59. *The Chairman.*] What advantage would you as an ironmaster expect to get from this competition, Mr. Dunbar?—Even supposing we paid a higher price we would have a quicker market, and would not have to wait four or five months for our raw products and hang up work. Shipping strikes just now put it behind for months. That would not happen if we were so near a source of supply.

60. You do not consider that the establishment of works in New Zealand would necessarily mean a reduction in price?—Not necessarily. We would be quite prepared to pay the same price, provided we got a good deal.

61. Why?—In the interests of the Dominion generally. I do not see they have any right to lower prices than Australia; prices will always be ruled by prices at Home.

62. In other words, the New Zealand company would simply frame its rates just a trifle below Australian or British prices?—Yes.

63. You say that the New Zealand market would not be worth having as the only market?—No.

64. You say it is very much cheaper to make 1,000 than 50 tons, and that becomes increasingly true?—Yes.

65. What market would you expect the Ethelburga Syndicate to exploit outside of New Zealand?—A large company like that would have their interests and financial undertakings all over the world. They would also have their company's agents all over the world, and therefore would have the world's markets.

66. And what part of the world's markets do you think New Zealand could sell in, provided rails and iron made in Great Britain were just now going to South America or South Africa?—We could land them just the same and just as cheap—it is a matter of freights.

67. Would there be any difference in the freights to South Africa—would the freights be cheaper from New Zealand to South Africa than from Great Britain to South Africa?—The distance is about half-way between both countries.

68. Do you think they would be very much higher?—It all depends.

69. Which South American markets would you expect New Zealand to get?—I should say the Argentine, and where our steamers call.

70. You acknowledge the Argentine is in easier communication with Great Britain?—Our boats go Home that way.

71. The Argentine lies on the east of South America?—Yes.

72. And therefore the distance from Great Britain is less than from New Zealand, I should judge?—I do not know if it is much. That would be the Ethelburga Company's business to find markets, of course. They say they have a market.

73. And it would be a fair thing to ask them to establish their own markets?—Yes.

74. As for the cost of production, do you hold that it would probably be cheaper in New Zealand than Great Britain?—Yes.

75. Considering the cost of labour and considering the fact that the proposed plant would turn out enormous quantities?—Yes; because of the purity of the ore and the close proximity to the works—they simply tip it in.

76. Are you aware of the fact that they would probably have to bring their coal by sea?—Yes.

77. You spoke of the great saving that New Zealand would enjoy in buying 30,000 tons from this company at 5 per cent. on cost. You estimated that it would be something like £38,000 per annum?—At 5 per cent. on actual cost no Home manufacturer would sell; 15 per cent. is not too much.

78. Would New Zealand have any guarantee?—If they did not—the prices are known on all dates, and they need not purchase.

79. Would they have any saving?—I think the freight is always a large item.

80. Is not the saving just entirely problematical?—With the same facilities there is no reason why it should not be produced at the same cost.

81. You recognize that there is no guarantee?—I see that plainly, but the margin is so wide there can be no possibility of the company failing.

82. *Mr. G. M. Thomson.*] This is a Parapara sample you have handed in to the Committee?—Yes, I have absolute authority that it is from Parapara.

83. You do not know the composition of this particular sample?—No.

84. What is this sample?—This is a new alloy, and it has zinc and aluminium, &c., in it, and some say there is a trace of gold and silver.