

38. Do you remember the terms they offered?—Their terms were quite extravagant.

39. We did not entertain them at the time?—The Committee would not look at them. We had to pay them about £30,000 per annum.

40. If this Committee recommended, and the Government agreed, the first thing would be to buy out the leases?—No; I do not think you need buy them out.

41. *Dr. A. K. Newman.*] Were any samples of this ore sent to any ironworks to ascertain whether it would smelt easily or not?—I am not aware of any samples being sent, but I think it would smelt quite easily. It requires a flux of limestone, but that is in abundance on the spot.

42. Is there any handicap in the way of smelting it?—None, except that the coal is rather distant.

43. Any chemical?—No; the material is easily worked; much more easily than Taranaki ironsand.

44. *Mr. Hornsby.*] Is there anything on record to show that Parapara ore being of somewhat low grade, Taranaki ironsand might be worked with it in order to work up the quality of the iron?—There is no information on that point at present—no opinion by any expert of first-class standing. The Government is endeavouring to arrange for a metallurgist of high standing to visit New Zealand, and that is one of the questions to be submitted to him. Personally I think that a mixture of the two ores is perhaps what is wanted.

45. *Mr. Hudson.*] Do you know Mr. Turnbull?—No, not personally.

46. Do you know anything of his position as a mining expert?—No.

47. You have never seen a report that he has written?—No.

48. You said coal would be a difficulty. Do you not know that coal would be available on the spot?—The estimate of the iron-ore deposit is 64,000,000 tons. It takes more than a ton of coal to smelt a ton of iron.

49. I understand that the whole mountain there is practically a reef of coal—to the cape?—Why do they not work it in the present coal famine?

50. There are labour difficulties and other difficulties. You consider that the coal available on the spot is not to be calculated on?—No, not for this purpose. The only coal that I am aware of in New Zealand that would be really suitable is the State coal and Paparoa. The coal to be used must be free from sulphur, and most of our coals in New Zealand are sulphurous. I was in New South Wales recently, and they asked me why we did not coke the Paparoa coal, which they said was one of the finest in the world for coking purposes. Paparoa and State coal would do, but State coal does for other purposes too. We can get 16s. a ton for the slack.

51. In your opinion, Westport is the nearest coal that can be looked for for working the Parapara ore?—Yes.

52. Limestone is available on the spot, and also a deep enough harbour?—It would require a wharf three-quarters of a mile long to get an ocean-going ship alongside the wharf.

53. *Mr. Luke.*] The harbour facilities are good, providing a long enough wharf is made?—No, I would not call them good. It is an open bay—Golden Bay; but the seas there are not very heavy, so that a ship could lie there without much disturbance.

54. If such a wharf were constructed, could a vessel lie there in any weather?—In most weathers.

55. You answered a question very pertinently about the sulphur in the coal—that is an important factor. You consider that there is no suitable coal nearer than Westport?—I think you can say Greymouth. I think the State coal contains less sulphur than Westport.

56. Is the ore very refractory?—I think not.

57. You know that New Zealand has been looking to Australia for iron for years?—Yes.

58. That iron has been commercially successful—as it is, without much mixing. What about Parapara?—Pig iron is wanted for so many purposes, consequently the iron-manufacturer wants different qualities for different purposes. At Parapara they would only produce one quality.

59. *The Chairman.*] Do you think it is advisable for the Government to obtain a report in connection with the deposit and the possibility of its manufacture commercially in view of what has been done in Australia. Our reports are evidently dated a long way back. Could we not get a report more up to date?—The Newcastle works are working under favourable conditions, and they would be a formidable competitor to any ironworks in New Zealand.

60. With regard to the supply of iron to New Zealand itself?—Yes. Parapara is a rather out-of-the-way place. I am afraid the freight from Parapara to Auckland or Dunedin would be nearly as high as from Newcastle. So if Parapara cannot produce pig on the spot at the same price as Newcastle, then I think Newcastle could run Parapara out of the market, unless the Government imposed protective duties.

61. *Mr. Luke.*] For a great number of years we had contracts with the Hoskins people, and we were importing their pig iron at 2s. 6d. a tons less than it could be got from the Old Country. One good feature of it was that it could be used without any scrap. I would like to ascertain what the analysis of Parapara is for foundry purposes?—We have no analysis of the iron, but we have of the ore.

62. *The Chairman.*] First you told us that it was a feasible proposition for the State to take up the business, and afterwards you said that in view of the formidable competition of Australia it might be somewhat dangerous?—I do not think I went quite so far as to say that. What I said was that if these leases can be got out of the way I think it would be wise if the property can be got into the hands of the Government and for the State to hold the land.

63. *Mr. Sidey.*] You are of opinion that if it can be worked profitably the State ought to undertake it as a State institution?—First-grade deposits are being worked out; it is possible they may be exhausted in forty or fifty years. When that day comes second-grade deposits will become valuable.