

pure calcite. A typical sample taken from a number of blocks returned on analysis—Lime, 55.64 per cent.; carbon dioxide, 43.72 per cent.: total, 99.36 per cent. I cannot speak too highly of this grade of limestone, and it would be considered absolute perfection for iron or any other smelting requiring a lime flux." He visited the Oti Mataura coal-workings, the analysis for sulphur being 0.496, 0.510, 0.521, 0.603. Regarding coke, he says, "The coke made experimentally was coherent, of a good silvery grey and a bright lustre. There are considerable quantities of the finest silica sand I have ever met with in the vicinity of iron-ore. This carries 99.4 per cent. silica, and would be necessary for making the refractory materials in furnace-construction. Fireclay could probably be found near the coal-seam." I have handed in two copies of the Queensland report, and I also submit figures showing the cost of production of 18,900 tons of pig iron at Parapara, based on estimates furnished to the Queensland Government by E. C. Saint-Smith and F. C. Richard. The overhead charges come to £9,820, and the smelting and management charges to £28,211. In regard to coke-production, the cost of coal was £35,426 (31,490 tons at 22s. 6d.), less by-products £17,650, leaving the cost of the coke at £18,000. In our case we have allowed for all their charges except coal, which would cost us up to 15s. per ton and 7s. 6d. for freight. It has been said we have no coal in New Zealand that is fit for coking, except in one or two places, but I contend that almost any coal which is a bituminous coal is fit for coking in a recovery furnace. The cost is so excessive in a beehive furnace that the United States Government have brought in an enactment that no further beehive furnaces shall be erected: they must all be recovery furnaces. It will require 1.38 tons of coal to produce 1 ton of coke. Then, we have no transport charges, as in New South Wales, and altogether the figures show that we can produce the pig iron for £3 4s. 2½d. per ton. Added to the capital account will be the cost of providing wharfing and berthing facilities and machinery for unloading coal-vessels. This can be done by erecting a wharf 67 chains long into Golden Bay from the present railway formation, which will provide 30 ft. of water at low tide; or a better way would be by dredging the Parapara Inlet, which is now filled up with quartz tailings. A depth of over 30 ft. could be procured by dredging? If we had had a wharf at Parapara years ago something would have been done with the Parapara ore. Long ago we had inquiries for iron-ore from England and Japan, and the trouble was to get it away. As to the value of the ore, from thirty-four assays made through Dr. Bell thirty-four went from 50.29 to as high as 58.18, and the average for the thirty-four assays was 51.79.

H. P. BRIDGE, Secretary, Parapara Iron-ore Company (Limited), further examined.

The last time I was here we spoke about obtaining the assistance of an employee of the Broken Hill Company to report upon Parapara. The following correspondence took place on that question. [Correspondence read, and handed in.] I desire to suggest that the only reason for the refusal is that they look upon us as a probable competitor.

*Mr. Sidey:* I said that the last time you gave evidence.

*Mr. Bridge:* The following is a copy of a letter which we sent to the Prime Minister on the 21st January, 1916. [Letter read, and handed in.]

*The Chairman:* We would like to have your up-to-date proposals as to what should be done.

*Mr. Bridge:* I desire to conclude by referring to the fruit industry. The Government have been trying to foster the fruit industry in Nelson. If our works are established at Parapara there will necessarily be a number of workmen and their families, who will be available for fruit-picking and also in connection with the hop industry.

*The Chairman:* What are your up-to-date proposals in connection with the working and development of the deposits?—First of all, we do not want to run before we can walk. We want the Government to assist us in getting an expert from England to report; and after that, our proposals are that the Government should issue these bonds. We will be able to negotiate them, and then we will be able to supplement that with so-much cash, and we hope that the industry will be established.

*The Chairman:* You want a Government expert to advise you as to the value of your interests, so that you can get the highest possible price for those interests from the Government?—No, not necessarily. We have our own ideas as to what our values are. We have put in a great deal of time, energy, and money into the enterprise.

*The Chairman:* That is admitted; but is it not possible for the company to come along with a concrete proposal as to what should be done, so that something should eventuate?—In that letter we have only raised the position as to the importation of an expert. The only modification is that the Government should get an expert from England instead of somebody from New Zealand now that Australia has refused.

*Mr. Luke:* Is it conditional upon the Government putting this money into the concern whether you carry on or not?—If the Government will not grant us this assistance then we will look for it elsewhere, and, we think it probable, with good chances of success.

*The Chairman:* This is the point we want made clear, if we can get it: we want to know from the holders of these iron-ore leases, in the event of a company or joint undertaking being gone on with, what their interest in this property is. In the letter to Mr. Massey they do not state that, and evidently the witness is not prepared to state what they should be?—No, sir.

*Mr. Luke:* Inferentially the position they take up is that unless the Government is prepared to put down the amount stated it is not likely that anything will be done; and I think Mr. Massey would look at it in the same way.

*Mr. Smythe:* We were asked to stand down and not attempt to float the company in London, because the British Government did not want us to attempt to float a company in England.

*Mr. Luke:* It seems to me that a consideration of your finance is for the Government to put something into the concern first and foremost.