

Mr. Smythe: We want to go to the outside public.

Mr. Luke: Why have you not gone before this time?

Mr. Smythe: Because we did not think New Zealand was ripe for it.

The Chairman: This protection is for the war period only.

Mr. Bridge: The protection is for the duration of the war and for six months thereafter. We have it in writing—a certificate under the signature of the Minister.

The Chairman: You can see that unless something is done your interests will be prejudiced.

Mr. Smythe: Yes.

Mr. Bridge: The company has put in a great deal of work.

Mr. Sidey: The reason we asked for the production of the letter was because we understood it contained the terms.

Mr. Bridge: It does, with the exception of the expert.

The Chairman: In Mr. Blow's evidence he states that the protection is for the period of the war and no longer.

Mr. Bridge: He is wrong. I can satisfy you in regard to that.

The Chairman: If the company is not prepared to state to the Committee what it requires in consideration for its interests in the lease the position is going to be very difficult.

Mr. Bridge: We have not considered that matter at all.

Mr. Smythe: We did not know that the Committee were coming along with an offer.

The Chairman: We want to ascertain the position.

Mr. Smythe: I think if you will give us an opportunity we can follow that up later on.

Mr. Hornsby: That is necessary. This Committee must make a recommendation.

Mr. Luke: You want the Government to be a joint partner: you want the Government to put up their "stuff" first, and on the strength of that you can float the rest.

Mr. Smythe: That is quite true.

Mr. Luke: Are you marking time consequent upon the difficulties brought about by the war?

Mr. Smythe: No; we were asked by the Government to stand down in the meantime, and we have simply been hung up for that reason. Now that the war is over we have to see what we can do.

The Chairman: I suggest to the company to make the position clear as to what it would take to get quit of its interests.

Mr. Hudson: The witness specially stated an English expert—what about an American?

Mr. Smythe: It would include an American.

The Chairman: We will be glad to receive any further statement you may have to make in writing before we deliberate. You are not under an obligation to do it, but if you wish to do so we shall be glad to receive any statement—that is, if you think you are justified in letting us have that information. We do not want you to be prejudiced at all.

[Subsequently the following telegram was received from Mr. Bridge: "Our protection duration war only. Sorry misinformed you."]

L. W. A. MACARTHUR further examined.

The Chairman: I want to tell you the position. In your statement before the Committee you mentioned that the Government had not given you facilities for the formation of this Marine Solar Salt Company and with respect to the commencement of the work?—We have not got it yet. We want to go to the public with some provisional or conditional lease. We have no *locus standi* to go upon to the public.

The Chairman: The latest telegram is to this effect: the Secretary of the Treasury advises that on the 14th instant the Minister of Finance approved of authority to raise £30,000 capital Marine Solar Salt-works. The Committee understands from the Minister of Marine that there is no objection by his Department now to issue a permit; and from the Attorney-General that he is willing to issue the certificate. So there should be no further trouble in that respect as far as I can see.

Mr. Macarthur: We must have something definite.

The Chairman: As far as the Committee is concerned we can do no more.

GREYMOUTH.

WEDNESDAY, 5TH MARCH, 1919.

E. A. WICKES, representing Grey-Hokitika Sawmillers' Association, examined.

Later on, the chairman of our association will give the Committee evidence on many other matters. My evidence will be confined to suggesting some other method of using up the waste timber of the sawmills. Doubtless as you passed our mills you saw a tremendous lot of slabs being destroyed by fire. Probably 33½ per cent. of all the logs cut go into what are called slabs, and are absolutely wasted. When Mr. Frostick was round here representing the Efficiency Board some year or two ago we brought before him the question of whether these slabs could not be converted into charcoal for the use of gas-producers, insulation, and other purposes. He took the matter up at our request. The first difficulty we had to overcome was whether or not the rimu and white-pine slabs could be converted into good charcoal. Through the Efficiency Board the Government experts were approached, but they had not anything very definite to tell us; they thought it might make charcoal, but we could not get any definite statement from them that