

English Government to select for them a practical engineer with a knowledge of ironworking to make a full report. The engineer should be capable and of good repute, and well known in England as such, so that his report would be known as honest and reliable. This would give the capitalist an opportunity of getting reliable information. I do not think that it would be advisable or necessary to put a duty on imported iron in order to assist the iron industry in New Zealand, but when required I think that the Government should build, or greatly assist in building, the necessary wharf on the ground that, like a railway, it is a national work. They might also assist by giving a substantial bonus on the first iron produced.

*To Mr. Luke:* The smelting should be done at Parapara. I do not think there is sufficient coking coal at Parapara for the purpose, and the coal must be taken there. I do not favour taking the ore to Westport. I would bring the lesser to the greater.

*To Mr. Sidey:* I do not suggest that, on the cancellation of the lease, the lessees should receive any compensation. The leases have been in existence for sixteen years. There is practically no work done that would be of use to the country. There was a little tunnelling, but much of it was of no use.

*To Mr. Craigie:* There was a little roadmaking. There was a temporary wharf, but it is now gone. Some work was done in the way of a tramway, but it is a question whether the next company would make a tramway.

*To Mr. Hudson:* If it can be shown that certain works have been done which would be of benefit to the incoming people it should be taken into consideration.

*To Mr. Luke:* There were 4 acres of freehold, a house, the right to a road, and 56 acres of leasehold, with all the plant, and the syndicate was paid £10,000 for the lot.

PHILIP BEST, Chairman of the Waimea County Council, examined.

I support Mr. Washbourn in regard to the cancellation of the whole of the Parapara iron leases as retarding development and industry. The property is in the County of Collingwood. It would be a benefit to the country to have the iron-ore worked which has been lying dormant for years and years. We think the time has arrived when something should be done in the matter, and I hope the Committee will recommend that the leases be cancelled.

H. P. WASHBOURN further examined.

I wish to call your attention to another and smaller industry, although it is one I consider of local and Dominion importance. It has these points to recommend it, that it would only require a small capital, could soon be in operation, and would reduce a certain amount of importation. I refer to the manufacture of iron-oxide paints at Parapara. Paints could be made there for £6 per ton as good in every way as those now selling at from £50 to £70 per ton. For the next two years the price is not likely to fall much, but should it fall 75 per cent., which would bring it below pre-war prices in England, there would still be a large margin of profit left. Not only could the old hæmatite be made, but also a number of various colours, many of them suitable for house-painting, either in their natural colours or mixed with white-lead. I hope to submit a few samples of them to you. In 1895 the New Zealand Government, while sending a quantity of the iron-ore and limestone from Parapara to England to be tested there, also sent several bags each of the two colours locally known as No. 1 and No. 2 hæmatite. These were just taken from the stock and not in any way picked samples. Of these, the report furnished to the New Zealand Government said, "Both paints are well ground. They have been submitted to practical tests in comparison with the Torbay paints in a well-known Government establishment, where Torbay and other oxide paints have been largely used." After giving particulars of the tests made the report continues, "The New Zealand oxide is a better paint than the Torbay so far as the covering-power is concerned, and the difference in amount of material required in making up the New Zealand oxide as against the Torbay does not even bring the latter pigment up to the former." The price of the New Zealand oxide was 8s. per hundredweight here, and the Torbay ground oil in England was 24s. 6d. per hundredweight. In reply to the Chairman a witness in Wellington said, that "If there were works established in Nelson that could turn out hæmatite equal to the old hæmatite that they used to produce there, the Department would put it on the schedule," but it wants more than this to be of any assistance. The Government did use the local hæmatite, but not nearly as much as they might have done. There appeared to be a strong tendency to substitute the imported article and use the higher-priced imported oxide where the better and cheaper local paint could have been used. We did not put up the paint plant at Parapara, but had we done so should probably have made some of the blunders, as it took a good deal of experimenting and experience to find out what would be the best appliances for making the oxide paint. The previous company, after getting and calcining 24 tons of ironstone, obtained only 3 tons of badly ground paint from it; the other 21 tons of the best was thrown away. After a good deal of trouble we improved this to the extent that we obtained 13 tons of well-ground paint from the 24 tons of stone. With a suitable plant the other 11 tons could have been made into paint without cost. Again, with the previous company it took forty-eight hours' constant firing to dry 15 cwt. of paint; and this we improved so much that we could dry 18 cwt. with eight hours' firing. The price of hæmatite was then £25 per ton. We tried supplying the paint ground in oil in 7 lb. and 14 lb. tins. This was favourably received by the public, but as we had to get the tins made in Christchurch, pay freight to Nelson, and then freight to Parapara, and had only a small mill for grinding in, the expense was too heavy, and we gave it up. These items will give some idea of the unsuitable nature of the plant and the difficulties we had to contend with. Still, we made the paint and sold it at £8 per ton.