

with right at the mine, and to do this it would be necessary to arrange for tracks sufficiently good to enable us to get heavy machinery right out on the claim, so that it would be bringing out only the very best, and this could be done with great economy on a reasonably good cart-track if same were provided. The materials we have supplied are: Asbestos-meal for boiler-lagging, supplied to New Zealand Government and the freezing-works; French chalk, supplied to the rubber and leather trades; and the asbestos fibre, as a binder for asbestos-meal. The good fibre is the portion of this product that requires development, and it would need machinery to separate same from the rock in which it is found. I suggest that this industry should be assisted in the nature of the formation of a reasonably good road, or through means of transport, and the Government could subsidize industries of this kind, as it also opens up the line, and the road would be used for many other purposes besides that of carrying asbestos.

*To Mr. Hudson.*] The location of the claim at the present time is in the Mount Arthur district, close to Takaka Valley. We have to pack the stuff out on pack-animals. What we want is a good road to enable us to use motor-lorries—a cart-track.

*To Mr. Hornsby.*] I might say that we have practically unlimited supplies of what I call “matrix,” or this lagging stuff. There is a pretty big supply—running into thousands of tons—of pure fibre.

*To Mr. Sidey.*] Mr. Morgan, Government Geologist, has not reported upon this deposit.

*To Mr. Poland.*] Nor has any geologist reported on it to my knowledge. We have not developed the pure fibre yet, but there is no question there are thousands of tons of it. I understand that the cost of widening the road would be about £4,000.

*To Mr. Hudson.*] The distance to port is about thirty-five miles. I am absolutely certain the stuff is there.

*To Mr. Poland.*] We have only approached the County Council to maintain the road: we have not approached the Government.

*To Mr. Craigie.*] If we had a decent road we could compete with the imported article.

*To Mr. Luke.*] The selling-price of meal asbestos is about £25 per ton.

*To the Chairman.*] The expense of packing it to ship runs into about £17 10s. per ton—that is, mining it, too. I will supply the Committee with the figures of freight to port.

*To Mr. Luke.*] The land is leased from the Government. The Government has not mentioned anything about a royalty.

*To the Chairman.*] We have plenty of asbestos up to 2 in. in length. I have seen it 3 in. One-eighth of an inch is all right for meal. We have plenty up to 2 in., and it is considered of very good quality. The crude stuff lies on a bank about 40 ft. high and 5 chains long. There is a tunnel that goes through 100 ft., and it goes through the deposit right through the whole length—that is, the crude stuff. As to the other claim, a practical engineer is of opinion that there are fully 10,000 tons of pure fibre in that claim, and we have not worked it yet.

*To Mr. Hudson.*] An engineer we have residing there permanently furnished that report; he works the mine as well.

*To the Chairman.*] We have expended fully £1,000 ourselves in development, &c.

*To Mr. Sidey.*] The capital of the company is £4,500.

*To the Chairman.*] There is a big market in Australia for the stuff. I do not think there is any tariff duty against it in Australia. We have communications from Australia that they can arrange for big orders if we are ready to supply the material.

*Mr. Hudson.*] The County Council is anxious to assist in respect to the road?—We want some fairly heavy machinery to deal with the pure fibre, to get the lagging from it. I consider that it would take fully £2,000 or £3,000 to put the machinery there.

*To Mr. Craigie.*] We are considering the supply of material now for the making of slates.

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

The company has for some years past been endeavouring to establish the working of its ores in New Zealand by the establishment of works at Parapara, or at such place as might be determined by expert advice. There has been a great deal of negotiation here and in England. Recently we wrote to the Broken Hill Proprietary Company in Melbourne with a view of obtaining the general manager of that company to visit New Zealand, and Parapara particularly, and report on the question of establishing works at Parapara, and also advise financially as to the best kinds of works to establish and the most suitable site. The secretary of the company replied that they could not spare Mr. Delprat, who is a very important man in Australia in the industry, which has only recently been established, and we have since asked them to spare a suitable officer. In the secretary's reply he favoured us with the report of the Commission which sat in Queensland as to the advisability of establishing works in Queensland, and I propose to read portion of the evidence given by Mr. Delprat.

[Witness read from the report, and in reply to the Chairman said he would furnish the Committee with copies of the report.]

JOSEPH SMYTHE, Director of the Parapara Iron-ore Company (Limited), examined.

I wish to point out to the Committee these notes made by the secretary to the Commission in Queensland on the visit of the Commission to the iron-ore deposit at Iron Knob, South Australia, showing an estimate of the plant required, with salaries of the staff, number of men employed, and so on. The report also shows the cost of coal, the cost of pig iron, and other information. There was a total cost of £80,000 for the production of 18,900 tons of pig iron, equivalent to £4 4s. 7½d. per ton. The company started work in 1915. The cost of iron-ore and limestone, not at the works but at the mine, is 7s. 8d. per ton; cost of coal at the mine, 12s. 6d.; and