

company; but I come from the centre of one of the big iron districts of the Old Country, and I know what the iron industry means. I know it is the foundation of nearly all industries. It is the industry of all others to try and establish in any country. This company has been trying in a small way—honestly trying—to develop this industry, and we consider that we are entitled to some assistance from the Government. A favourable recommendation from this Committee would, I am sure, assist us very much indeed. We hope to hear from Mr. Heskett this afternoon that the furnace is going, and that he will be able to tap it late in the afternoon or in the evening, and I should like the Committee to see it, and put any questions they wish to the expert, Mr. Heskett. He could not leave the works to-day because he has no one to leave in charge, and that is the only opportunity he will have of giving any evidence—that is, if the Committee will visit the works.

*To the Chairman:* I think about fourteen hundred or fifteen hundred shares have not been issued.

*To Dr. A. K. Newman:* No scrap iron is used in the smelting. As I have said, this iron is so rich it will take up one, two, or three parts of scrap iron. As to the presence of titanium, that is a matter in regard to which Mr. Heskett could speak more confidently than I can. As the result of experiments Mr. Heskett considers that he has hit upon a plan of overcoming that difficulty entirely. I should have mentioned that in the opinion of Mr. Aubel when he went away this is still a research problem. Mr. Heskett is convinced that he has now entirely overcome the difficulty. We have a magnetic separator; but as long as we can get the sand of fairly uniform richness it is not at all necessary. The idea was that you might one day get sand from the beach that was 90 per cent. ironsand and 10 per cent. grey sand, and another day you might get 60 or 70 per cent. ironsand and 30 or 40 per cent. grey sand. It might vary, and by putting it through the separators you would get a uniform quality to put through the furnace; but we have abandoned that. There are millions of tons of ironsand; there is quite enough to make it profitable. Before Sir Alfred Cadman went Home he made a careful inspection of the beaches; he took men for miles down the coast and had the sand measured, and he thus got some idea of the extent of the ironsand; and he was satisfied that there were millions of tons of it. I do not think that in other parts of the world there are ironsands similar to this; in Canada there is a sand that may be regarded as similar, but it is in small quantities. We want the Government to appoint an expert—a man we would have confidence in, a man whom the Government would have confidence in, and a man whom the trade and capitalists would have confidence in. We want that expert to come and say if this is a good proposition. If it is going to be a good proposition money will be put into it; and if it is not, we will be glad to have the matter put beyond doubt and get out of it.

*To Mr. Hudson:* The selling-prices I have given were war prices. I have other prices here, but these are estimates. We have never been able to run for more than from seven to ten days, so we are only able to estimate as near as we can what the cost would be. This is an estimate formed after the last running at the beginning of January: "Estimated cost per ton at 10 tons per day, £6 12s. 2d.; estimated cost per ton at 20 tons per day, £5 2s. 2d." On those figures it would be a payable proposition. We are convinced of it; but, as I say, the difficulty is to convince other people. We have a proposition now for the Parapara people to make use of our furnace—to send 150 tons to put through our furnace. We are quite willing to do that when we are not using the furnace ourselves. But we hope to get the furnace going now. The Parapara people, I may say, are interested in this company, and we hold a sublease from the Parapara syndicate of a beach. We are quite willing to work with them, and I think it is quite a reasonable thing to do, to test their ore here. This is the only furnace in New Zealand, I think, that could properly test any iron-ore. I do not think it would tend to economy to work the two concerns through the same smelting-works, but I am not an expert; the expert would be able to answer that question.

*To Mr. Craigie:* Our rights extend seven miles south-west of the Breakwater, and three miles the other way. I think the supply of ironsand is unlimited. Coke is the biggest item we have. According to Mr. Heskett's estimate on an output of 20 tons a day it is 48·8 per cent. of the cost. On the other hand, labour is only 17 per cent, so that the labour trouble is not a great one.

*To Mr. Sidey:* Our furnace, I believe, is capable of just about supplying the wants of New Zealand at present in respect to foundry iron. To develop the Parapara business would mean that the expenditure would be enormous, and the output would be so great that the market could not take it. Mr. Heskett has found out how to get the titaniferous matter out of the furnace separately from the slag.

*To Mr. Poland:* All that we ask from the Government at present is to appoint an expert. In the event of our running continuously it would be a good thing to have the assistance of an expert chemist to conduct analyses.

*To Dr. A. K. Newman:* There is no expert in ironsand; our officer probably knows more about ironsand than any one else. What is wanted is a trained and expert ironmaster who could analyse the figures and see what has been done, go into the question of cost, and give an opinion whether there is a reasonable prospect of its being developed into a good industry.

*To the Chairman:* We got some limestone from Hawke's Bay and some from Kawhia. We intend to go on if possible, and I think in a small way we can manage it.

C. D. LIGHTBAND, Leather-merchant, examined.

I will introduce myself to you as being associated with the oldest leather people in New Zealand. My forbears were the pioneers of the industry. The late Mr. G. W. Lightband settled in Nelson in 1843; and afterwards Lightband, Allen, and Co. were the pioneers of our