

27. Very well, then, "very largely a question of law," which depends upon whether the conditions are complied with, and if so to what extent there has been non-compliance?—Yes.

28. On that subject you have very little information?—I think I have more than you think.

29. The company have had protection from time to time?—It has had protection.

30. However, you feel confident to express no opinion as to whether the lease could be cancelled or not at the present time?—I would rather not. It is a matter for consideration at the present time.

31. *Hon. Mr. McKenzie.*] Do you know the opinion of the Crown Law Office on the question of whether the lease could be forfeited or not?—Yes, I think I do.

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A. D. BAYFIELD. (No. 15.)

*The Chairman:* Mr. A. D. Bayfield, who holds an option over the Patea Harbour Board's foreshore and river reserves, has written and sent in his statement to the Committee. I will read it:—

"Wellington, 31st October, 1912.

"A. S. Malcolm, Esq., M.P., Chairman, and members of the Iron and Steel Industries Committee, Wellington.

"SIR AND GENTLEMEN,—Acting on the suggestion of your Chairman I respectfully beg, in the absence of my not being able to be personally examined, to submit the following statement bearing upon the important question of the development of the iron and steel industry in this country. First I must inform you that I hold from the Patea Harbour Board an option over their foreshore and river reserves, and also over certain private interests, and that for the past two years have been engaged in the problem of how best to bring the ironsands of the North Island to commercial account. My object in wishing to get my views before your Committee must not have the semblance of in any way being opposed to the Parapara Iron Syndicate, but distinctly with the view of asking that in any proposed inducement that may be given by the Government recognition shall be given to the fact that the ores of Parapara and the sands of the North Island offer two distinct and separate propositions for the economic development of the proposed industry. In the Bill brought down last session four classes of production were provided for to participate in bonus consideration, the largest portion being in favour of ordinary pig iron; and I would respectfully ask that greater consideration be given to quality of product, for the reason that the sands are capable of production of articles that the ores are not. The establishing of the presence of vanadium in the sands is a very important factor (see page 48 of Geological Bulletin No. 14, footnote). I join in what I believe to be a general view—viz., that it is reasonable to ask the Government to give a substantial inducement to any one who may be inclined to risk the establishing of works in the Dominion to bring the iron and steel industry to a successful issue—and I differ from those who think that a profitable business cannot be done. The foregoing really embraces the most important points on which my evidence, if given, would rest.

"I am, &c.,

"A. D. BAYFIELD."

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