

This Committee requests me again to call your attention to the sale of fifty acres of auriferous land to A. McDonald on 4th May last.

Referring to a telegram of yours of 20th October, addressed to Mr. G. S. Cooper, Wellington, I find the following passages occur:—"Plan by Government Surveyor shows gold workings outside of section;" and again: "No report from Warden was recently obtained, such not being obligatory by regulations, and as the same Warden was favourable to sale in 1868."

With regard to the first paragraph which I have the honor to quote, I would observe, that if no gold workings are shown on the plan, then the grant was obtained by false representations, as gold working and water-races have been on the section for the last six or seven years.

With reference to Mr. Warden Wood having reported favourably of the sale in 1868, I must observe there is a wide difference here betwixt you and the Warden, as I know for a fact that Mr. Wood has on several occasions publicly stated that he was always adverse to the sale; in fact, has most strenuously opposed Acton's application.

I would also like to direct your attention to Mr. Holmes' resolution in reference to the sale of the Moa Flat run, and which would seem to have been unanimously adopted by the Legislative Council. I think sections 3 and 4 bear strongly on this grant to McDonald.

The Committee also to desire me to direct your attention to the fact, that had the land been advertised for sale, £500 could have been had for it as easily as £50.

As far as this Committee is aware, the land was applied for, granted, and resold same day, at a profit of £200. We do not quite believe Mr. Acton transferred his interest in original application to McDonald.

I would also call your attention to the fact, that residence areas exist on the section; two have been granted within the last eighteen months by Mr. Warden Wood. One of the parties applied to this Committee to know the proper quarter to apply for compensation. Of course we directed them to apply to the Waste Lands Board. The improvements on one area I have no doubt would be valued at £100 to £150.

I am sorry, Sir, for trespassing at such length on your valuable time, but the question is really a very serious one. McDonald's grant takes in 40 chains, more or less, of a payable lead of gold, proved at eastern and western extremities of boundary. The inhabitants here feel that they have been grossly wronged in allowing such property to pass into the hands of any single individual. One or two more such grants, and it will absorb all the payable ground known of on Switzers. The miners more particularly feel the injustice of the grant, as they have to go through all the forms of fourteen days' notice; pegging out their extended claims of one acre; maintaining notice on the ground pending Warden's decision; contesting all objections; and, in case of obtaining the grant under any misrepresentation, the grant is at once set aside by the Warden.

Hoping, in the interest of right and justice, your Board will reconsider its decision,

I have, &c.,

RALPH SHAW,

Secretary, S.M.P.A.

The Chairman of the Waste Lands Board, Dunedin.

No. 8.

Mr. G. BAILEY to the CHAIRMAN, Waste Lands Board, Dunedin.

SIR,—

Switzers, 11th November, 1871.

I have the honor to forward herewith particulars of the claim of Mr. Dugald Matheson against the Provincial Government, in connection with the recent sale of fifty acres of land at Winding Creek, Switzers, to Mr. Allan McDonald.

The claim arises thus: Mr. D. Matheson is the holder of a residence area on the fifty acres alluded to, granted by the Warden in conformity with the Gold Fields Regulations. On this residence area is erected a large building intended for a road-side hotel. Application for a license for this hotel was forwarded, with the usual fee, to the Provincial Treasurer, in December last, in the name of James Graham, but the license was not granted as the building was not quite completed.

Since the sale to Mr. McDonald, the building is quite useless. Notice has been given by Mr. Bastings, the transferee of Mr. McDonald, to remove the building, but as old building materials in Switzers will be of no value at all, the sale to Mr. McDonald renders Mr. D. Matheson's interest in the property valueless.

I trust you will bring this claim before the Board at an early date, and awaiting your reply,

I have, &c.,

GEORGE BAILEY,

Agent for Mr. Dugald Matheson.

The Chairman, Waste Lands Board, Dunedin.

Enclosure in No. 8.

Switzers, 16th November, 1871.

The Waste Lands Board of Otago, *Dr.* to Dugald Matheson.

To value of a seven-roomed house constructed of weather board and iron, situate on the Winding Creek, Switzers, and sold by the Provincial Government to Mr. Allan McDonald

£125 0 0

Memo.—The above is the actual cost of erection.