A.—3.

Mr. Mackay: Then we must get Mr. Sharp to prove what he did say.

The Commissioners: Was there any advertisement regarding the matter?

Mr. MACKAY: The basis of the conditions is contained in the fifth resolution passed by the Select Committee of the Nelson Provincial Council in 1872, which stated that in default of erecting a house, value £50, within six months after allotment, the land should revert to the Crown.

29

Mr. FISHER intimated that he would be prepared to address the Commission upon the question of

damages on Thursday morning.

[Case allowed to stand over.]

## SECTIONS 10, 11, 12, 13.—JOHN HUGHES, CLAIMANT.

Mr. Haselden appeared for claimant.

JOHN HUGHES SWOTH, and examined by Mr. HASELDEN: I bought section 10, fronting Rintoul Street, from Mr. Kiely for £20. I have cleared it, and paid rent up to December, 1874. I tendered rent after that date, but it was refused. I have discovered since the purchase that Kiely was not the original allottee, but I shall have no difficulty in obtaining a transfer from the original allottee, Mr. Corr. If I had obtained a fourteen years' lease for the section, £1 a year would be a fair rent for it. If the Government wish to take the land I shall be willing to accept what I gave for it—namely, £25. I also bought section 11 from Mr. Kiely. Sontgen was the original allottee. I purchased the section for the same price as section 10, and I think the annual value would be the same. I paid £20 for it, and am willing to take £30 for it. It is cleared. James Colvin was the original allottee of section 12. I bought it from Suisted and Gothard for £20. I paid rent upon it until it was refused. I cleared it, and now value it at £40. It is more valuable than the others as it shuts on the correspondence. it, and now value it at £40. It is more valuable than the others, as it abuts on the corner, and cost more to clear. I bought section 13 from the original allottee, Wm. Struthers, and gave him £35 for it. I have paid rent upon it the same as upon the others. Its outside value is £50. It is a corner section in Palmerston Street, and in conjunction with the others might be worth 30s. a year. I have lived here from the beginning of the settlement, and can vouch for the truth of Mr. Munro's statements. I have been washed out twice; and when sections were allotted to me the second time I was washed out, there was no sign of a road to them. The sections were valueless. I could not get near them. My business was sacrificed. I was present when Mr. Sharp made the allotment. There some talk about conditions, but nothing definite was said. Nobody ever said to me, "You must improve the land or erect buildings." I have spent about £100 on these sections, which I should not have done had I not had an idea that I should ultimately obtain a title. I believe we shall get a title yet. I purchased these sections in 1873, about June or July, and built my hotel on its present site almost immediately after. I claim these sections as purchased sections. They had nothing to do with sections in the old township which were washed away.

Mr. Munro and Mr. Suisted were called to prove the sale of the sections to Hughes.

[Case closed.]

The Commission then adjourned till next day, at 10 o'clock.

## WEDNESDAY, 1st DECEMBER, 1875.

## SECTIONS 147, 148, 149, 150.—JOHN HUGHES, CLAIMANT.

The Commissioners having pointed out on the previous day that the certificate of transfer for one of the sections was made out in favour of Messrs. Tonks and Hughes, and that it would be necessary to dispose of the equities of Tonks, evidence was taken to show that there had been a deed of dissolution of partnership duly executed.

JOHN HUGHES, recalled: I dissolved partnership with Tonks in 1873. The deed of dissolution is now in the possession of Mr. Tonks, of Greymouth; but I am prepared to give the Commission the assurance that there was a covenant in the deed of dissolution to the effect that the Westport property

should vest in me, and the Greymouth property in Mr. Tonks.

The Commissioners: Your statement is no doubt correct in every particular, Mr. Hughes, but it will still be necessary that you should produce the deed of dissolution, or a certificate from Mr. Tonks

renouncing any claim to these sections.

Mr. HUGHES: Then I will produce the deed. I stated yesterday that sections 10, 11, 12, and 13 would be worth £1 a year. I wish to correct that estimate. I think the four sections in one block would be worth £8 a year. Sections 147, 148, 149, and 150 were granted to Tonks and Hughes by Commissioners Giles and Dobson, in lieu of sections previously occupied by me. I paid rent upon them until June, 1875. I claim £30 for section 147, as it is a corner section, which would be worth £2 a year for fourteen years as a cottage site. They are not suitable for the erection of an hotel. I value sections 148, 149, and 150 at £20, and I consider 30s. a year would be a fair rental. In the present state of things in Westport, I should not feel justified in giving more for them. When these sections were allotted to me they were not cleared. There was a road up Palmerston Street, but there were no business places around them. I have paid two years' rent upon them, and have not received a penny in return. There is no demand for cottages now; but if I were to build a good large house, it might let for 20s. a week. I did not buy them for speculation. If I got the sections at a reasonable rate, I would build a good house upon the four sections.

The COMMISSIONERS: Why did Commissioners Giles and Dobson allot these sections?—Because there was a second flood after Mr. Sharp's allotment; and besides, a great many people who were

entitled to sections were left out of Mr. Sharp's allotment.

You have stated that sections 147, 148, 149, and 150 are worth £90 collectively, and a rental of £6 10s. per annum. Do you estimate that upon the assumption that you would get a fourteen years' 7—A. 3.