

1887.
NEW ZEALAND.

PURCHASE OF MR. STARK'S PROPERTY, NORTH SHORE, AUCKLAND.

(REPORT OF COMMISSIONERS APPOINTED TO INQUIRE INTO THE MATTER.)

Presented to both Houses of the General Assembly by Command of His Excellency.

COMMISSION.

To the Hon. THEODORE MINET HAULTAIN, of Auckland, in the Colony of New Zealand, and formerly a member of the Executive Council of the said colony; GEORGE WILLIAM HARVEY, of Dunedin, in the said colony, a Barrister of the Supreme Court of New Zealand; and to RICHARD WESTENRA, of Christchurch, in the said colony, Esquire—Greeting:

WHEREAS in or about the month of January, 1886, the Government of New Zealand, on behalf of Her Majesty the Queen, purchased from one Robert Adam Mosley Stark, of Auckland, in the said colony, a piece or parcel of land at the North Shore, near Auckland aforesaid, containing 28 acres and 16 perches or thereabouts, for the sum of £17,100, such land being so purchased for defence purposes: And whereas it is alleged that the said purchase-money so paid was in excess of the value of the said land, and also that certain irregularities occurred in the mode of conducting and completing the said purchase, and it is expedient that inquiry should be made for the purposes and in the manner hereinafter set forth:

Now, therefore, I, William Francis Drummond Jervois, the Governor of the Colony of New Zealand, having confidence in your knowledge, ability, and integrity, do hereby, by and with the advice and consent of the Executive Council of the said colony, appoint you, the said

THEODORE MINET HAULTAIN,
GEORGE WILLIAM HARVEY, and
RICHARD WESTENRA,

to be Commissioners, by all lawful ways and means, to inquire into the said purchase of land as aforesaid from the said Robert Adam Mosley Stark, and into all the facts and circumstances connected with or incidental to the said purchase, and the conduct of all and every persons and person concerned in or taking part in the said purchase in any way. And I do direct that such inquiry shall be held at Auckland aforesaid, on such day or days, and at such time or times, and in such place in Auckland aforesaid, as you may think convenient; and that before you commence the said inquiry at least three days' notice of the day, place, and time on and at which you will be prepared to enter upon the said inquiry shall be given to such person or persons as may in your opinion be affected by or concerned in the said inquiry, and generally to all other persons who may desire to offer evidence before you in respect of the matters comprised in these presents, such notice to be given by publication thereof at least once in two or more newspapers circulating in the City of Auckland, and in such other manner as you may deem necessary or convenient. And I also direct that you may from time to time fix such days or times for hearing evidence and proceeding in the matter of the said inquiry as you may think fit, subject, however, to the terms of these presents; and also that you may from time to time adjourn, alter, or vary the days or times aforesaid, in such manner as you may judge desirable for the purpose of giving full effect to the said inquiry. And I hereby empower you to call before you and examine on oath, or otherwise as may be allowed by law, all such person or persons as you may think capable of affording you information in the premises, and that all such evidence shall be fully and fairly taken down and transcribed in writing, and shall be signed by the person or persons giving such evidence. And I declare that this Commission shall continue in full force and virtue, and you, the said Commissioners, may from time to time, and at any place or places in Auckland aforesaid, proceed in the execution thereof although the inquiry be

not regularly continued from time to time by adjournment; and, further, that all the powers, duties, and authorities by these presents vested in you, the said Commissioners, may be exercised and performed by any two of you sitting and acting together. And I do hereby require you or any two of you, with as little delay as possible, but not later than the thirtieth day of November next ensuing, to report to me, under your hands and seals, your opinion resulting from the said inquiry in respect of the several matters and things inquired into by you under or by virtue of these presents. And, lastly, I do hereby declare that this Commission is and is intended to be issued subject to the provisions of "The Commissioners' Powers Act, 1867," and "The Commissioners' Powers Act Amendment Act, 1872."

Given under the hand of His Excellency Sir William Francis Drummond Jervois, Lieutenant-General in Her Majesty's Army, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Most Honourable Order of the Bath, Governor and Commander-in-Chief in and over Her Majesty's Colony of New Zealand and its Dependencies, and Vice-Admiral of the same; and issued under the Seal of the said Colony, at the Government House, at Wellington, this twenty-first day of September, in the year of our Lord one thousand eight hundred and eighty-six.

WM. F. DRUMMOND JERVOIS,
Governor.

Issued in Executive Council.

FORSTER GORING, Clerk of the Executive Council.

REPORT OF COMMISSION.

To His Excellency Sir William Francis Drummond Jervois, K.G.C.M.G., C.B., Governor and Commander-in-Chief in and over Her Majesty's Colony of New Zealand, and Vice-Admiral of the same.

MAY IT, PLEASE YOUR EXCELLENCY,—

We, the undersigned, appointed by a Commission, dated the 21st day of September, 1886, under the hand of the Governor, and sealed with the Public Seal of the Colony, to inquire into all the facts and circumstances connected with or incidental to the purchase by the Government of New Zealand of 28 acres and 16 perches of land at the North Shore, near Auckland, for defence purposes, from one Robert Adam Mosley Stark, and into the conduct of all persons concerned in or taking part in the said purchase, respectfully submit for your Excellency's consideration the following report of our proceedings and of the opinions we have formed in respect of the several matters and things inquired into by us under and by virtue of the said Commission.

In accordance with the terms of the Commission, we caused the following advertisement to be inserted in the daily papers circulating in the district: "*Re the Stark Purchase.*—Whereas by Commission under the hand of His Excellency the Governor, and under the Seal of the Colony of New Zealand, we, the undersigned, were appointed Commissioners to inquire into the purchase by the New Zealand Government of land from one Robert Adam Mosley Stark, and into all the facts and circumstances connected with or incidental to the said purchase, and the conduct of all and every person or persons concerned or taking part in the said purchase in any way: Now, therefore, we hereby give notice to Thomas Seaman, of Auckland, estate agent, and H. M. Brewer, of Auckland, Government Land Purchase Officer, and generally to all other persons who may desire to offer evidence before us in respect of the matters comprised in the said Commission, that we will be prepared to enter upon the said inquiry on Monday, the 11th instant, at 10 o'clock, in the offices of the Harbour Board, Auckland." And we lost no opportunity during the inquiry of impressing on the minds of the community that we were prepared to examine not only all witnesses suggested by parties concerned, but to summon any persons whose names might be mentioned to us as able to furnish information on the matters we had to investigate.

Fifty witnesses have given evidence on oath, which evidence has been taken down and transcribed in writing, signed by such witnesses, and accompanies this report. We have permitted the utmost latitude in their examination, cross-examination, and re-examination by counsel, and by other persons who desired to question them.

The counsel for the so-called Vigilance Committee requested that the Hon. Sir Julius Vogel, the Hon. Mr. Richardson, and Mr. Sperrey should be called to give evidence; but as we had no power to summon witnesses residing over two hundred miles from the place of sitting, and as we had been informed that the Ministers could not then leave the seat of Government, but that the place of sitting of the Commissioners could, if necessary, be extended to Wellington, we replied that we should be prepared to adjourn and continue our inquiries there if the counsel could attend himself, or if his Committee could appoint another counsel to represent them, or if they furnished us with the points on which they wished the Ministers to be examined. The counsel did not press this request any further.

As a guide to the points to be inquired into we had the evidence taken before the Public Accounts Committee of the House of Representatives, Mr. Mitchelson's letter to the Premier of the 7th September, a list of witnesses furnished by the counsel for the Vigilance Committee, and the petition prepared by the said Committee, which had been signed by a large number of Auckland residents, and forwarded for presentation to both Houses of the General Assembly, but which, we understand, arrived too late to be presented last session.

Mr. Mitchelson stated in his letter that there was no doubt in his mind but that there had been a conspiracy to defraud the Government; and the petitioners averred their belief that if a Commission were held on the spot evidence could be supplied to show that such a conspiracy had been entered into. They have, however, in our opinion, entirely failed to sustain these allegations

by the evidence of any person that has been brought before us, and Mr. Mitchelson has admitted that his suspicions have not been substantiated, and that he regrets he ever brought them forward.

Mr. Mitchelson, in his letter and also in his evidence, states that rumours were floating about injurious to the characters of two Ministers of the Crown; and that, though not believing them himself, he thought it desirable that they should be cleared away by the appointment of a Commission. Mr. Chambers, the honorary secretary of the Vigilance Committee, gave form to these rumours by declaring his belief that Sir Julius Vogel had been bribed by Mr. Stark. On hearing his evidence, we declared that if a shadow of evidence could be brought forward in its support we would urge the Ministers to come up from Wellington to meet it. No such evidence has been forthcoming, and we consider it a baseless malevolent suspicion, unworthy of further notice.

The numerous land agents and other authorities who have been examined as to the value of the property differ very much in their estimates. We subjoin the names and cash valuations of some of them, who appear to us to be most reliable: Mr. W. Aitken, £15,000; Captain Beere, £12,000 to £14,000; Mr. B. Tanner (£9,000 and improvements), £13,000; Mr. J. Bond, £12,000; Mr. E. W. Alison (cash value of his offer of £16,000 on terms), £12,000; Mr. F. G. Ewington, £10,000; Mr. O. Mays, £10,000; Mr. J. Dacre, £9,000; Mr. T. Melville, £9,000; Mr. D. Goldie (£9,000 less than the Government paid), £8,100; Mr. C. Williamson, £8,000.

As these experts differ so materially in their valuations, we find it impossible to fix definitely the exact value of the land. Mr. Stark had been endeavouring to sell portions of the block at comparatively low prices since June, 1884, through various agents; and in February, 1885, he placed the whole block in Mr. Brown's hands for sale for £7,500, and there is little doubt but at that time the Government might have obtained it for that amount had they employed a private agent to secure it; but in April, 1885, when they had entered upon the land to survey the site for the battery, Mr. Stark withdrew it from private sale, saying that the Government were going to take it, and that he now expected to get £20,000 for it.

We consider that the price paid for the land was in excess of its value, but are of opinion that there was no irregularity in the mode of conducting or completing the purchase. The Minister for Public Works was guided by the opinions of the usual officers of the department, which, he has stated, were confirmed by other inquiries he had made; and Mr. Brewer, the Land Purchase Officer, who had only recently arrived in the district, was guided by the property-tax valuation, and we consider his conduct throughout the negotiations was quite free from blame.

We entirely acquit Mr. Seaman of any complicity in any attempt to defraud the Government, and we consider that his excessive valuation, which he expected Mr. Stark to object to, was prompted by his desire to serve the interests of his department. It is impossible to forecast what might have resulted from an appeal to a Compensation Court.

At the close of our proceedings an application was made on behalf of Messrs. Alison and Seaman, asking us to award them costs under the 6th section of "The Commissioners' Powers Act 1867 Amendment Act, 1872," in consideration of the expense they had been put to in attending the Commission and defending themselves against the allegations that had been made against them. We decline to award costs against any party, and leave it for the Government to determine whether their officers are entitled to compensation from them for the expenses they have incurred in attending this inquiry.

Given under our hands and seals at Auckland, this first day of November, 1886.

T. M. HAULTAIN.

G. W. HARVEY.

RICHARD WESTENRA.

List of Witnesses.—1886, October 14th: Oliver Mays, J. Mays, J. Dacre, W. S. Cochrane. October 15th: Herbert Ashton, A. Ashton, R. J. Roberts, R. Lundon, A. W. P. Thomas, T. L. White. October 16th, J. Ross, C. Williamson, T. Melville, Henry Ashton. October 18th: J. C. King, Josiah Martin, E. Bartley, S. Vaile, S. P. Smith, W. H. Hales. October 19th: W. Philcox, C. Kingsford, G. Brown, A. Heather, J. R. Gascoine, J. Frater, J. Hull, B. Tanner, R. Duder. October 20th: E. Hammond, G. R. Burgess, E. Mitchelson, D. S. Chambers. October 21st: D. Goldie, Dr. Vines, T. B. Howarth, S. Henderson, J. R. Randerson. October 22nd: F. G. Ewington, E. Bell, S. Brooking, W. Aitken, S. Eastham, G. Beere, C. Dacre. October 25th: J. Bond, E. W. Allison. October 26th: Thos. Seaman, H. M. Brewer, G. Headly.

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