

Trustees would not have £6,000 to deal with forty-eight years hence, but £12,000. Do you, therefore, consider that the permanent interests of this trust have been conserved and benefited by the transaction?—They have not been conserved and benefited by the transaction, but the Trustees had nothing at all to do with it.

554. I am not imputing blame against the Trustees?—That is what you are trying to get at.

555. I think the blame rests on other shoulders, as probably the inquiry later on will disclose. Did you ever express any desire at any meetings or to any person that you or any member of the Board desired to sell this property?—It never was mentioned at any meeting I was at.

556. Or outside?—We have no desire to sell.

557. Did you express a desire to sell if you had the power?—Never.

558. Mr. Brewer wrote a letter, under date the 20th November, 1885, to the Under-Secretary for Public Works, Wellington, in reference to this matter, stating his negotiations with Kissling and with the Board, and he makes this statement for the purpose, apparently, of inducing the Government to consent to the compact he had made with Kissling. In that letter he says: "Now the Trustees cannot sell, although they would like to." Is that true?—Mr. Brewer must have been under some misapprehension, because the Board never were anxious to sell.

559. To your knowledge, was any communication made from the Board, or on behalf of the Board, to Brewer which would be a justification for that statement?—Not to my knowledge.

560. You said, in answer to Mr. Hesketh, that the land was taken against the wish of the Board?—Certainly it was.

561. Now, supposing the Board had known that this land was not required for defence purposes at all, but that the greater portion of it was taken for the purpose of being immediately conveyed to Mrs. Kissling, would the Board have accepted that £632 so readily, and without endeavouring to retain the land which was not required by the Government?—Speaking for myself, I should certainly have thought the Government ought to have given us the offer of it first.

562. Speaking for yourself, would you have proposed any steps, or would you have endeavoured to resist the Government, if you knew that you could?—We could not prevent the Government taking the land from us.

563. Supposing you knew that the Government were not taking it for a fort, but were taking it unlawfully, and for the purpose of giving it to a private person, would you have endeavoured to retain the land rather than take the money consideration for it?—I think so.

564. Were you present at a meeting of the Board at which the following letter was read from Mr. Brewer: "20th November, 1886.—*Re* land required for battery at Point Resolution: I am directed by the Hon. the Defence Minister to state that it is proposed to take the whole of the land at present in the occupation of Mr. G. S. Kissling. The land being let for such a long term to that gentleman at a nominal rental the principal part of the compensation will be awarded him. As, however, the Government wish your Board to be treated with every consideration, I am requested to state that the sum of £632 will be awarded for your interest. Will you please let me know at your earliest convenience if you accept this offer, so that arrangements can be made for paying over the money. If you do not accept it the case will have to go to the Supreme Court." Were you present when that letter was read?—I believe I was. I remember the letter.

565. Were you led to believe by that letter that the whole of the land was to be taken by the Government for defence purposes?—Yes.

566. Was the whole Board under that impression after that letter was read?—Speaking from memory, I think they were. I know I was.

567. You say it was a matter of surprise to you to hear that the Government did not require the whole of the land: when did you first hear that they did not require the whole of the land for defence purposes?—I could not say; I heard it in the street some time afterwards. It was after the second meeting. It was before the money was paid over, but after the agreement was entered into.

568. You say it was a matter of surprise?—I was surprised.

569. Were you not indignant also that this material fact was concealed from the Board?—I do not remember now.

570. Did you think it was wrong that a person representing the Government should make a secret compact to hand over the freehold of the property to a private person without making the Board acquainted with it?—I did not know it was a secret compact.

571. Did you or any member of the Board know?—As far as the Board was concerned, they did not hear of it, but that does not say it was secret.

572. It was secret as far as they were concerned. Did you not think it wrong that that fact was not disclosed to the Board?—I thought that the offer should have been made to the Board first.

573. Was there any comment made at any of the meetings, or was it proposed to take any steps to retain the land which the Government did not require, and which it was proposed to hand over to Mrs. Kissling?—There were no steps taken.

574. Did the members of the Board express a desire to take any steps to recover the land?—It might have been mentioned, just in the way of conversation. Of course, they think differently now, after all the fuss has been made about it, than they did then. The thing was done. The land was taken.

575. Do you think the Board was treated in a frank, fair, and candid way about the negotiations Brewer had entered into with Kissling—the arrangement, in fact, he had made at that time with Kissling—do you think it was improper to have concealed that from the Board?—As far as I can see, it was not concealed by Brewer. Mr. Mackay seems to have proposed that the whole of it should be taken.

*Dr. Giles:* But not with the view of reconveying.