

were trespassers or not. An action was brought against them for trespass on the ground that the Public Works Act, 1882, did not give them the power to take that property for defence purposes. That was the only question I consulted my solicitors about.

1232. Then you did not consider it desirable to consult them about the legality of the arrangement with Brewer?—No; I was dealing with the Government, and I never dreamt for a moment the Government would make any arrangement that was not legal.

1233. Did it ever strike you that there was anything morally wrong in the arrangement with Brewer?—Certainly not.

1234. You say you did not know that in order to get this land there would have to be made a false statement, both in the Proclamation and otherwise?—No, I did not know anything about that. The first I ever heard of it was when you drew attention to it.

1235. Did you not know the provision of the clause of the Act under which the Government took the land?—No, I did not.

1236. Did Brewer never mention to you in the course of your interviews, when you were discussing the possibility of carrying out this arrangement, that if the Government were to take the whole of this land and only required a portion of it they would be obliged by law to offer the portion back to the Trustees?—No.

1237. Was that ever mentioned?—I do not think so; I do not remember it. Of course I have learned that since.

1238. Did he ever mention to you that if the Trustees did not accept it it had to be put up to public auction?—No.

1239. Was it not contemplated at that time that a special Act was to be passed to enable this arrangement to be carried out?—Certainly not. It was not until a considerable time after that I knew that was necessary.

1240. You and Brewer agreed that a valuation was to be made by Waymouth?—Yes.

1241. Was that before the matter was submitted to Waymouth?—Yes.

1242. Then it is not correct that you handed Waymouth's calculation to Brewer, simply asking his assent to it, or as to whether he considered it fair?—No; I think it was in discussing what the Trustees' interest was that we arranged that we should employ an accountant to ascertain what that interest was. That was the first question we had to establish, before we could go any further with our negotiations.

1243. When was the amount first assessed of the combined interests in the land, and by whom?—The amount of £6,000?

1244. Yes?—I made that out, I imagine; at least, that was my calculation of it.

1245. There is no calculation of it?—I reckoned that it was worth £6,000, and I have stated the reason on which I came to that conclusion—that the land was worth £1,250 an acre, and £1,000 for improvements.

1246. £1,000 spread over the whole piece?—Two houses had been erected.

1247. The thousand pounds includes the houses?—Yes.

1248. Did you submit that assessment or valuation of £6,000 to Brewer as being a fair amount for the combined interests?—I must have told him that I thought it was a fair valuation.

1249. There was a lot of correspondence between you and Brewer: he seemed to assume that it was worth £6,000?—I think so.

1250. Have you the whole of the letters Brewer wrote to you?—No.

1251. Have you any of them—I mean, in reference to these negotiations? Could you produce them?

*Mr. Mahony*: I do not think we have any letters from Brewer.

*Witness*: There was nothing with regard to the valuation of the property.

*Mr. Brewer*: I presume they are in the Public Works Office.

*Mr. Napier*: Brewer stated in his evidence that he had numberless interviews with Kissling, and that there were many letters written.

*Mr. Mahony*: The only other letter I have got, besides those already referred to during the inquiry, is one in which Brewer states that he has a bad leg, and apologizes that he cannot come.

*Dr. Giles*: Brewer, in forwarding any letters to Wellington, would not be likely to forward any except those setting forth the final terms to which he agreed. He would not be likely to send all the preliminary notes that might have passed between them.

*Mr. Napier*: He said he deposited them in the Public Works Office.

*Dr. Giles*: They are not in these files. I have not seen any.

1252. *Mr. Napier*.] Was it a written or verbal communication to Brewer, the estimate of £6,000?—I think it was verbal. In fact, I am pretty sure it was verbal. I have no recollection of ever having written a letter. He used to come to me, and we talked the matter over on several occasions.

1253. Did he accept the £6,000 without demur or question?—I do not think he raised any question. I cannot remember now.

1254. Immediately you mentioned it he assented to it?—I cannot say that. We might have had a talk over it.

1255. Did he express any surprise at the amount?—I cannot remember that he expressed any surprise.

1256. Did he say it was excessive or cheap?—I cannot tell you. I cannot remember that he did express any surprise.

1257. Did he agree to £6,000 ultimately, at all events?—We took that as the basis of our negotiations.

1258. Did you employ any valuer to value all the interests in the land?—Yes, I did.

1259. Who?—Mr. Vaile, of Vaile and Douglas.