

108. Did you tell Mr. Murray that there was no limit of £500?—No, I did not. I wish the Committee to understand that it was quite understood that Mr. Murray was not to pay for these orders until he had satisfied himself that they were valid and good.

109. If the amount was over £500?—That was never mentioned. It was only reasonable that any man asked to pay such a large sum should first satisfy himself that the orders were good.

110. Did you have any conversation with Mr. Murray on this subject?—Did you point out or suggest that there was a doubt as to whether scrip could or could not be exercised if the amount was over £500?—I cannot say whether that point came up or not, probably it did not.

111. It was distinctly understood that he was not to complete the bargain unless the scrip had a State value put upon it?—Yes. I wish to explain that that understanding was not on account of any doubt we had as to its validity. You may be pretty sure I had no doubt of its validity or I would not have paid those prices for it; but it was only reasonable that any man buying to such an extent should have an opportunity of satisfying himself that he was getting value. If I had been afraid of its being refused I would not have paid such prices for the scrip.

112. When you sold the scrip to Mr. Murray, were you aware of the decision of the Appeal Court to the effect that it was limited to £500 in any other province than the Auckland Province?—Speaking from memory, I did not find that out until after I had seen Mr. Murray. I remember hearing of the decision of the Appeal Court when in Dunedin for the first time, and I think that was after I had seen Mr. Murray. According to the advertisement, the decision of the Court of Appeal was given before Mr. Murray bought these lands in.

113. *Mr. Smith.*] The decision of the Court was given before Mr. Murray paid the money?—I fancy when I was speaking to Mr. Murray the question was not decided by the Appeal Court.

114. *Mr. Guinness.*] You told us that you bought this scrip from the original holders after the Appeal Court decision. You could not agree to sell the scrip to Murray before you bought it? I agreed with him that he would exercise any scrip I sent within the limit of his purchase.

115. You made an arrangement with Murray to give him the scrip before concluding the bargain with the scrip owners?—Before I concluded the bargain for the whole of the scrip used by him.

116. You recollect saying, in answer to the first question put to you, that you bought no scrip until after the decision of the Court of Appeal?—If I said that, it was not the meaning I meant to convey.

117. *The Chairman.*] You said you agreed to buy from Mr. Hubbard.

118. *Mr. Guinness.*] Yes, and none of the others. Is that wrong?—It is possible I may have said so. I had always a quantity of these land-orders lying in Auckland. I also knew when I went down to Canterbury that I could get certain scrip at 10 per cent. discount. Possibly I did not complete the purchase of some of them until after I returned to Auckland.

119. I understand you now to say that you cannot be certain whether the arrangement with Mr. Murray was made before or after the decision of the Supreme Court?—I can be certain that I made the arrangement with him to use any scrip that I might send him.

120. You cannot say whether the arrangement was before or after the decision?—If you can give the date of the decision it will settle everything.

121. The date was the 15th of November, 1889?—I see now that it must have been before the decision. I saw him before the land-sale, and that was before the decision was given on the 15th of November, 1889.

122. Do you recollect whether or not you told Mr. Murray that the scrip could only be exercised on land to an extent not exceeding £500 in any land district other than Auckland?—No, I do not recollect it.

123. Did you mention to Mr. Baker, the Chief Commissioner of Crown Lands in Canterbury, anything about the limit?—I may have in conversation with him, but I do not think so. I saw a good deal of Mr. Baker in the South.

124. Did you ever have a conversation with him with regard to the £500 limit not being exercisable in Canterbury?—Not that I recollect. I met him often at the Club, and talked the matter over; but as far as I remember, the only point at issue between Mr. Baker and myself was whether he would accept the scrip at all.

125. From that statement, we must conclude that nothing was said about exercising scrip beyond the limit of £500?—I fancy not. We had so many conversations it is quite possible that it may have been mentioned. This subject was interesting a great many people at the time. It had been a great fight. The late Government had contested the point in every possible way. It is quite possible I mentioned it, but as far as I remember that point was not at issue between Mr. Baker and myself.

126. Can you say whether he told you of the Crown Law Officer's opinion with regard to the exercise of scrip in the purchase of the Ellesmere lands?—I am not quite sure.

127. We have had three opinions. I am asking you the question generally. Did you see any of these opinions?—No. I saw none of them.

128. Were any of these opinions communicated to you by any officials, or by the Minister of Lands?—There are two points concerned in that question.

129. What I want to know is this: Were the opinions communicated to you?—I always understood that, according to the ruling of the Court of Appeal, no particular scrip was exercisable for more than £500 outside of the provincial district in which it was issued. As regards the acceptance of any scrip at all for the Ellesmere lands, I heard in some indefinite way that one Law Officer of the Crown agreed with my contention that the Ellesmere lands, having been offered and advertised as Crown lands, and being in fact Crown lands, scrip could not be refused, which, on its face, enabled the owner to tender it in payment for any Crown lands in the colony.

180. You say you heard that in an indefinite way. From whom did you hear it?—I cannot say now.