

9. *Mr. W. Fraser.*] You have read this letter of Mr. Kensington's of the 29th April, have you not?—Yes.

10. The one where he says, "The Wellington City Council are asking the Government to dispose of this area to them in order that they may exchange with the owner of portion of Section 487"?—Yes.

11. That appears in letter dated the 29th April, 1907, from Mr. Kensington to the Commissioner of Crown Lands. Can you give any explanation as to what caused Mr. Kensington to write such a letter to the Commissioner of Crown Lands unless he had been approached by the City Council?—I cannot say; but he had been approached by Mr. Kennedy Macdonald.

12. We had no evidence of that?—Yes, Mr. Kensington said that he and I were there on the same day.

13. Oh, yes! Would you mind looking at the letter?—I am quite clear that, unless I have been subjected to a complete lapse of memory, I never spoke to Mr. Kensington on this subject in my life.

14. I want to ask you, as Mayor, how it comes that Mr. Kensington, on the 29th April, has knowledge of the desire of the Council to acquire that land in order to forward an exchange? I want you to explain, if you can, how he acquired this knowledge—was it officially?—I could not say.

15. You have no knowledge at all?—No knowledge. Of course, it was very well known in the city that—

16. Is it likely that he would write an official letter to the Commissioner of Crown Lands on mere street hearsay?—You did not allow me to finish. It was well known in the city, and published in the estimates, that that work was to be done. I was constantly being asked by residents when the thing was to be started. Mr. Kensington got the notion, no doubt, not that it was intended—because there was no intention at that time—but he may have got it from Mr. Macdonald, who made the proposal or suggested it.

17. You suggest that Mr. Macdonald must have approached him prior to the 29th April?—Yes.

18. That is your only explanation?—That is the only explanation.

19. There is another question I would like to ask you: Messrs. Macdonald, Wilson, and Co., on the 29th May, 1907, on behalf of the Wellington City Council, have applied to the Government to be allowed to purchase—so Mr. Kensington says. When were Messrs. Macdonald, Wilson, and Co. authorised to write on behalf of the Wellington City Council?—They were certainly not.

20. They never were authorised?—Never.

21. You are quite sure of that?—Quite sure. The only thing I heard about that piece of ground at all was in conversation with Mr. Macdonald, in which he said he was going to enter into negotiations for that piece of land, and that it might help the matter on. It was simply a casual piece of conversation, and when the letter came from Mr. Strauchon to the Council it was a minute or two before I realised that it might have something to do with this matter.

22. I think that in your evidence you told us that somewhere about July Mr. Macdonald came to your office, or for the first time you heard about the derelict land?—It was not the first time I heard about the derelict land, because we had had the letter from Mr. Strauchon before then: that was in June some time. He came to my office in consequence of this conversation with the Town Clerk—or, rather, not in consequence of it, but because the Town Clerk had seen him, and furnished him with a copy of the offer.

23. I would like to ask you, and I to understand that on the 29th April, the date of Mr. Kensington's letter, you knew nothing, and had taken no steps to acquire the derelict land to exchange, nor had you contemplated an exchange?—No, we had not contemplated an exchange. At that time I did not know of the land.

24. That is, that on the 28th April you did not know about the derelict land?—No.

25. And, therefore, could not have contemplated exchanging it for other land?—No.

26. That is your answer?—That is my answer. I would like to say, with regard to that, that on the 29th April I would not have had time to devote to a matter of this kind, because I had just closed the municipal contest, and I did not think any matter like this—which had really lapsed and which we could not go on with—which was not of any urgency at all—besides I should not have time—should come up. The return of the Mayor was on the 24th April, and it generally takes one a fortnight to recover the arrears of work. I would certainly put off anything that could be put off during that time.

27. Am I to understand from you that Messrs. Macdonald, Wilson, and Co.'s letter of the 2nd May, where they purport to act for the City Council—?—I do not think they do.

28. Evidently upon that letter the one of the 2nd May is founded—that was, acting on behalf of the City Council?—It is like all the other things which the Minister says are subject to two interpretations. There is nothing to say whom they are acting for.

29. I do not say they were acting—purporting to act?—Do they purport? The letter does not say so.

30. That was quite unauthorised on behalf of the City Council?—Quite unauthorised. I did not know of that letter until I saw it in the Chief Clerk's office in May or June of this year. My attitude with regard to that letter—and I told Mr. Macdonald since I saw it—is that it is one of those impulsive things he does which are very silly. He ought not to have written that letter. He ought to have seen us before he did, and have had a proper understanding. Probably his intention was to help the thing along by getting this piece of ground, because taking off a piece of ground from such a small piece of land as he had was no doubt a serious detriment to the land. I would like to say here that it was owing to a statement made in the Council that the area purporting to be conveyed to Mr. Macdonald was 4 perches, and the further statement made after—