

176. It may be said that the Dominion may be said to have lost for the benefit of the Council in this transaction?—I do not think they have lost at all. I think the Dominion have got a first-class price out of it—that by this the Government have gained rather than lost. And I may say that I was informed yesterday, and looked at the place with Mr. Luke, that a piece 39 ft. by 50 ft., practically about the same area as this, with a house upon it, which is within a few feet of the adjacent section on Mrs. Williams's property—a two-story house with this land of about the same area—was sold for about £1,000. So that I think my honourable friend the Minister of Lands—through his valuer—has made a really good bargain when he got £652 and £1 for his Crown-grant fee out of this.

177. When you eventually advertised it for sale did you mention the price you had paid?—I did not advertise at any price. I advertised it for public auction—the highest bidder, subject to my placing a price on it.

178. Holding for a rise still?—Holding for a reasonable sum; and I should be delighted to place the property in the hands of any member of the Committee at a reasonable sum too.

179. *Hon. Mr. McNab.*] In answer to one member of the Committee Mr. Macdonald stated that he had not communicated with any member of the Government, and as the suggestion has been made I want Mr. Macdonald to answer this: His not communicating with any member of the Ministry was not due to the fact that a Minister was not available when he wished to communicate with him on this subject?—Oh, dear! no.

180. The suggestion was, that the Minister was absent?—Oh, dear! no. I had no desire to import what might be regarded as a semi-personal matter by discussing it with the Ministers. The official head was the man I went to, and he is the man I always go to in regard to Government matters. I think Mr. McNab will give me credit, and every Minister also, that I never discuss with them questions that have a semi-personal tendency.

181. *Mr. Hislop.*] In regard to the improvement to adjoining property by virtue of a street being made here, is it not a necessary incident of the making of every street to improve the property in which it is?—Of course.

182. And is there any more reason why your property, or any other person's property, should be improved without your contributing towards the improvement?—Of course, the improvement made to the opposite side is just as great as the improvement made to me.

183. Is the improvement to the other land in the Terrace proportionately greater than to Woodward Street?—Very much greater; and I have had the pleasure of contributing £1,000 where they have contributed nothing.

184. Was it any part of the improvement that you should have given any land at all?—None whatever.

185. The street could have been made without your contributing?—Yes.

186. And was it not made plain that the piece taken off the corner was in order to enable a sweep to be made up to the Terrace?—That is right. It greatly improved the street—the rounding of the corner.

187. Had I personally anything to do with your negotiations with Mr. Joseph, or with your acquiring of this title, or with the work afterwards done for the mortgagee in my office?—None whatever. I never discussed it with you in any sense or shape, and you never spoke to me about it. I went direct to Mr. Joseph myself.

188. And I understand—I do not know—that the work was done by Mr. Brandon. As a matter of experience in ordinary business, is it not usual for an agent, when he writes by direction of anybody, to begin his letter, "Under instructions of So-and-so"?—Of course, it is always done.

189. And if you desired to intimate to the Under-Secretary that you were acting as agent for any of the parties mentioned, would you not have stated so?—I would have said so.

190. There is just one matter I would like you to test your memory about—my memory is not very good on it—but do you remember making some statement of this kind to me shortly before that letter to the Under-Secretary, or by way of explanation when we met afterwards: that you had seen the Under-Secretary with regard to that piece of ground?—I cannot recollect that. I might have done so after the Commissioner of Crown Lands' letter came, but not before.

191. Before you sent that plan on to Mr. Kensington that is attached there and has your writing on it, I suppose you had a general notion of what the Council contemplated doing?—Oh, yes.

192. And that they would build a retaining-wall as far up as the excavation went?—Yes.

193. The excavation opposite this particular piece of ground is not very great?—Oh, no!

194. But the wall subsequently arranged for had to go right down?—Yes.

195. The cost of the retaining-wall, so far as you are concerned, would have been, I suppose, much less—one-fourth less—if that piece of land had not been included? The total surrounding the two pieces of ground is something like 180 ft. Of this, about 46 ft. or so—one-quarter of it—would have been saved?—A quarter would have been saved, no doubt.

196. And, although you gave up this piece of ground and were exceptionally treated, I suppose it had some value?—Of course, it had a considerable value.

197. Do you remember a suggestion being made that, in order to minimise the sacrifice on your part, you might be allowed to build your second story to bring it out above the part taken?—I think there was some talk about it and that it was abandoned. I had to rely entirely upon my architect. I want the Committee to understand that all through this business I have simply gone in accordance with the instructions of the solicitors and architects and the professional men engaged in the matter.

198. When the original negotiations were going on—except when we came to a point with regard to the details of the agreement—with whom was it, so far as you were concerned, that they were principally carried out?—What do you mean?