

of Crown Lands?"—i.e., the letter offering the Crown land to the Council. That referred to the letter to the Commissioner of Crown Lands offering the land to the City Council. The reply of the Under-Secretary was as follows:—

"His Worship the Mayor of Wellington, Mr. Hislop, personally waited upon me, stating the City Council wished to obtain an area of Crown land at a valuation to exchange *re* Woodward Street widening.

"WM. C. KENSINGTON. 10/6/08."

That accounted for the origin of that letter. Then, here was the letter from Macdonald, Wilson, and Co.:—

"Wellington, N.Z., 2nd May, 1907.

"SIR,—The Government recently took possession of a small section of land on Wellington Terrace, immediately opposite the Wellington Club, which is now required in the interests of improvements by the City Council. The Council are desirous of creating a low-level street in Woodward Street, running from Lambton Quay to Wellington Terrace, and making the present portion of Wellington Terrace in that quarter practically a high-level street. To accomplish this it is necessary that the Council should absorb four or five perches of the present section at the corner of Woodward Street. This would, however, mean so serious a loss of space as to make the compensation to be paid by them very heavy, and possibly prevent the improvement taking place. This, however, could be avoided if the Council were in the position of being able to transfer to the owner of the corner section a section of somewhat similar size and value—the one recently vested in the Government.

"We shall, therefore, be glad to know if the Government would assist the matter by placing a fair price upon the latter section, when the City Council and the owner could adjust the matter, and a very necessary public work be made possible.

"We have, &c.,

"MACDONALD, WILSON, AND CO.

"The Secretary, Crown Lands Department, Wellington."

The Government some years ago took the land under the Unclaimed Lands Act, and that was the land that had been occupied by Mrs. Williams so long. He might add that since its acquisition it had never been used by the City Council, and that it was now open to any one who wished to buy it. Macdonald, Wilson and Co. distinctly informed the Government that if the 6½ perches were sold to the City Council, that the Council would get in exchange therefor four or five perches on the corner—"a section of somewhat similar size and value." But what happened? There was transferred to Mr. Macdonald 6½ perches of land, and where was the section that was to be transferred to the Council of "a similar size and value"? Instead of four or five perches, forty-seven hundredths of a perch was all the city got. Why, there never had been a more ingenious fraud practised in the City of Wellington, and it was right in a matter of the kind, where not only the Council but the Cabinet had been hoodwinked, that the House should set up a Committee to find out where the mistake, or fraud, if any, had crept in, and to see that it did not occur again. This letter referred to "the owner of the adjoining section." It carefully refrained from stating that Mr. Macdonald was the owner. And why, then, should they conceal the fact at an interview between the Mayor and the Under-Secretary for the Department at which the negotiations had been started? If the Council wanted the land, why did it not apply for it? Why did the Mayor go to the Under-Secretary and ask him to open negotiations by writing to the City Council? And at this particular point he wished the Minister to tell the House who had paid for the land. The plan of the land proposed to be transferred to the City of Wellington was no more like the land that had been transferred than it was like a tea-cup. He did not blame the Cabinet for a moment, but thought the Cabinet had been grossly misled. They had acted on a letter from Macdonald, Wilson, and Co., and the Minister had said that they were to transfer 6½ perches of land to Macdonald, Wilson, and Co. from the Wellington City Council, and that the Wellington City Council was to receive in exchange 4 perches of land on the corner; because the letter said so. What had Cabinet to do with the plan? Cabinet did not scale plans and work out proportions. Cabinet had acted on the letter. But what had happened? Where are the 4 perches that were promised to be transferred to the City of Wellington? Instead of receiving that area of land, a stone wall had been constructed by the city, costing about £750, out of which Macdonald, Wilson, and Co. had contributed £275, and the City Council had received forty-seven hundredths of a perch—not 4 perches—for which Mr. Macdonald had refused upon the market £421 per perch. That was the position. He had drawn attention to it at the time. He had gone to the Council and tried to get out the facts, and for some time he had been bluffed by the fact that there were two Woodward Street files—one in connection with the wall, and one in connection with the land—and when he asked for the Woodward Street file he got the stone-wall file several times, and it was solely due to the fact that an adjacent owner was aware of the circumstances of the case that he had been able to get from the Council the second file of which he was in need. The other, when he got it, was incomplete, and then he went to the Minister. It was only a few weeks ago that he went to the Minister and had an interview with him. Then, subsequently, he brought the matter up in the Wellington City Council, and he said the City should have received 4 perches of land. The Mayor said it was not so. He indicated that he (Mr. Fisher) was mad, and that he did not understand decimal points, and so on, and so on. To confirm his interview with the Minister he sent the honourable gentleman a telegram; and what was the Minister's reply? He wired, "You may state, in answer to a question from you, I stated that 4 perches of ground were to be given by the owner of the corner section to the city in connection with the exchange." Very well. They had received forty-seven hundredths of a perch. He said that under these circumstances it was only right the House should do its best to put this matter straight. He calculated—