

11. Then the Cabinet really acted on Mr. Macdonald's letter?—Well, they presumably acted on my statement of the facts.

12. Which was based on that?—Reading his letter.

13. Did any member of the Cabinet, to your knowledge, know that the area was 4 perches? I could not say that they knew it.

14. You did not know that it was 4 perches?—I did not know that it was 4 until you contradicted me once when I said it was 4 perches.

15. That was two months ago?—Quite recently.

16. As this transaction was passed by Cabinet on the 30th May, 1907, you laboured under the delusion, as it now appears, that the city was to have got 4 perches in exchange for the land it had bought from the Crown. You laboured under that delusion until two months ago?—I thought that, until you contradicted me. I am not suggesting that it was an essential point of the transaction; I am just answering your questions.

17. Do you remember sending for the plan and looking at it when I called to see you about it?—I sent for all the papers; they are all on a file.

18. Do you remember looking at a plan then?—I cannot recollect the incident; but, of course, I would send for the document to challenge it.

19. We went through all the papers, as a matter of fact?—Oh, yes!

20. And after looking through the papers, then do you remember that you and I were still under the impression that the plan was a 4-perches plan?—No, I have no recollection of that.

21. I want to make this plain, because subsequent to my interview you went on a trip south. While you were on that you sent me a telegram to say that the area was 4 perches?—I said that you could say in answer to your inquiry—I was referring to the conversation that took place on the street.

22. But you and I had been through the papers?—But I thought I told you what was on the papers.

23. It was subsequently you discovered 4 perches on the plan?—I would not swear to when the 4 perches on the plan was seen by me, but the telegram was in answer to a question of yours. I had to answer your question, and that related to a conversation on the street where I had said to you it was 4 perches and you had contradicted me. It did not relate to the examination of the papers.

24. But your telegram referred to the examination of the papers?—No; I think the examination of the papers took place on my return.

25. Do you know the date of my calling on you for the papers?—Unless it is on the file. I will look when Mr. Kensington comes up. I generally make a note if anything crops up. [Referring to file] Well, I saw the file on the 5th June.

26. Can you from that file give the date of the telegram to me?—No. It was a confidential telegram, but I could get it for you.

27. Up to two months ago you were still under the impression that Mr. Macdonald was going to give four or five perches to the city, or a section about equal in size and value?—That is what I thought.

28. Has the arrangement, as you understood it as Minister of Lands, with the City Council been carried out in its entirety?—I cannot answer that question, because I do not know whether the City Council have paid the Crown for it in accordance with the correspondence. You see my letter of the 14th September says, in the second sentence, "If, therefore, your Council will pay this amount to the Receiver of Land Revenue to the credit of the Hon. T. K. Macdonald, the Commissioner of Crown Lands will be instructed to issue a certificate of title direct to him, instead of the more elaborate process of first issuing a certificate of title to your Council and then your Council conveying to the Hon. T. K. Macdonald."

29. Did you not ascertain whether Mr. Macdonald had paid the amount?—No, I made no inquiries.

30. On page 6, just under the letter you have been referring to, you see a memo. by Mr. Batham, District Land Registrar?—Yes.

31. Can you tell us why, in the notice dealing with the several parcels of land, he specially picks out application 4013 for reference to the Minister?—I could not say.

32. Now, you did not know at any time right throughout the transaction that Mr. Macdonald was the adjoining owner?—Oh, no!

33. You did not know—rather, you thought—that Mr. Macdonald was agent for the Council, only?—I thought that in sending in that letter he was acting as their agent. I understood he was. Of course, it was the firm of Macdonald, Wilson, and Co.

34. Could you tell us exactly how you put the position before Cabinet?—Oh, no!

35. You are not at liberty to state as Minister of Lands, did Mr. Macdonald's letter come before Cabinet?—Oh, yes! the whole file. I will show you the whole file. [File produced.] At the time it is dealt with that comes up, and the decision arrived at is put on the corner.

36. *Mr. W. Fraser.*] What is the date of the letter on the top? The letter is dated the 29th May. Referred to Cabinet same day. Cabinet sat on the 30th May. It is the top paper on the file, of which the whole is in Cabinet.

37. And all the letters antecedent to that are in it?—Yes.

38. *Mr. Fisher.*] And that top letter is a memo. for the Minister of Lands from Mr. Kensington?—Yes.

39. And that memo. from Mr. Kensington says, "You would be in order in disposing of the land under section 117 of 'The Land Act, 1892,' as it is Crown land and the Council are the owners of the adjoining street, and wish to obtain the area solely for the purposes of exchange." Can you say whether that exchange was carried out?—I could not say.