

91. Mr. Macdonald does not go into decimals?—Of course, I do not suggest that there was any intention to mislead.

92. There was no intention, of course, of deceiving anybody. I suppose you read my letter?—Yes, I think it was in your own handwriting.

93. I think you understood that Mr. Kennedy Macdonald was to pay the whole £652?—I did not understand until I heard you yesterday, but it is capable of that interpretation.

94. Is it capable of any other?—Yes, it is capable of another when one knows what preceded it—that the Government had arranged with the Corporation to let them have the property in order to let them effect an exchange. It is capable of a different interpretation, but my letter of the 14th September removes any doubt when I say, “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.” The wording of that letter explains what it is.

95. You think that that meant that it must be actually the cheque of the City Council?—That is our only guarantee that it must come from the treasury of the Council. Otherwise we have disposed of it to one of the adjoining owners when there are two others, and we have not put it up for auction.

96. I notice here, under page 3, “Valuation Department,” the last item, “Pt. T.A. 488, Wellington Terrace: 0a. 0r. 04.21p. to be offered to M. A. Williams, whose buildings encroach on it, for £375 cash; in event of offer not being entertained, to be submitted to public auction.” here is a sale without competition?—I do not know the circumstances. That is a document signed by Mr. Campbell.

97. That was carried out, I suppose?—I could not say without looking up the papers.

98. It is exactly the same as this case: there was a building encroaching on this particular area of 6.55 perches?—I could not say—I will look it up if you like.

99. And we understood from Mr. Martin that this area was granted to Mrs. Williams for this money?—He may have said so. I was not here. However, his evidence is all in.

100. Is it not quite a usual thing to make these grants to neighbouring proprietors?—I will show you a case we have just got in hand now [illustrating case on practice of Department]. We always keep the access to the street. To avoid favouritism we put such lands up by auction unless there is something special involved. Under some kind of special legislation we have power to consider the claims of parties, and give them preference, but as a rule we try to avoid any appearance of favouritism.

101. You ascertained on the 5th September that Mr. Macdonald was the owner of the adjoining land?—Yes. It may have come to my knowledge before; I could not say.

102. I wonder if there was anything else about it in the valuation?—The only documents we got are here.

103. You see, Mr. Martin knew it?—Oh, he was bound to know from his records. In the Valuation Department Office they would have the up-to-date records of all the owners. I think our plan showed another name in the corner, as well as I can remember.

104. Yes, Love’s?—Yes.

105. *Mr. Greenslade.*] On the 2nd May, 1907, you will see, at the bottom of page 2, a letter from Messrs. Macdonald, Wilson, and Co., in the course of which it is said, “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.” Did you then know that Mr. Macdonald was the owner of the other section?—No.

106. Had you known, would it have made any difference?—I do not know that it would have made any difference. I did not see any objection to the transaction on that account, but I think it would have been better had it been stated. It would have been opener, but I do not see that it would have prevented the exchange going through, only that it gives ground for people who object to it to suggest things.

107. *Mr. W. Fraser.*] I should like to be clear on one point: you gave a reply to Mr. Fisher that your first connection with this matter was a letter of the 14th September. Is that so?—Oh, no! The first connection I had with it was the receipt of the Under-Secretary’s memo of the 29th May, on page 4. I did not get Mr. Macdonald’s letter. It did not come to me.

108. Did you see this plan which accompanies this?—Yes.

109. It is a copy of the plan which accompanies this—in fact, it is the plan referred to in the letter of the 29th April shown on the tracing accompanying your memo. from Mr. Kensington?—No, that is not the same. You see that plan with the corner came into existence in our office on the 2nd May. That letter from Mr. Kensington to the Commissioner of Crown Lands was written three days before the receipt of it. It must relate to some other plan.

110. What I want to get at here is, is this the tracing [produced] which accompanied the letter making the application?—The corner piece only.

111. Because this is on a different scale to the other one?—That is what I was explaining to Mr. Hislop.

112. The plan which is bound up with this paper C.-13—the first plan on C.-13—I want to ask you a question about that: is this a copy of one tracing or of two?—It is a copy of two tracings.

113. Sent at the same time, or at different times?—At entirely different times. I can see your suggestion, that any person looking at that should have been able to tell.

114. Which of these two plans was the one that accompanied the letter, and is the one referred to in Mr. Kensington’s letter of the 29th April?—If you will let me answer through Mr. Kensington, it is a larger one, under the one with the seal of the City Engineer.