

134. Representing the interests of the City Council?—Yes.

135. "To accomplish this it is necessary that the Council should absorb some four or five perches of the present section at the corner of Woodward Street." That matter was carefully considered by you with the statement in the same letter that four or five perches shown in the plan was what was referred to?—Yes. I did not notice that the plan did not correspond with the letter.

136. You took the wording of the letter as being carefully thought out and representing the facts?—I took it as representing the facts.

137. If in the body of a document the position is set out as plainly as here, would you take that as covering the situation rather than a sketch-plan attached?—I did there, at any rate.

138. And you had no reason to suppose that a firm like Macdonald, Wilson, and Co., writing on behalf of the Wellington City Council, would write anything else in the body of a letter than would represent the ascertained facts?—No, I had no reason to suppose so.

139. You were under the impression that the matter had been discussed by the City Council and Mr. Macdonald so as to enable Mr. Macdonald's firm to put in that letter representing that that area was necessary for street-widening purposes, to bring influence on the Government to give it to the City Council at a valuation less than it otherwise would?—I cannot recall that I thought over that aspect,—that it was present in my mind. You ask me to say what was in my mind when I got that letter: I cannot.

140. Did you also peruse the letter that came from the Mayor's office on the 5th September?—Oh, yes! that came direct to myself.

141. Did you then notice that His Worship the Mayor says, "The Wellington Council, being anxious to obtain a little land from Mr. T. K. Macdonald"?—Yes.

142. Did that convey any impression to your mind that the arrangement was not the original arrangement?—I still thought he was referring to the four or five perches we had fixed up in Cabinet. You see, the matter was all fixed up then.

143. And, in the latter part of the letter, where the Mayor says, "we paying you the purchase-money and he paying us." You were under the impression that the "we" was the City Corporation, and that "he paying us" was the owner (T. K. Macdonald) paying the City Corporation again for such area as he took. Did you consider that aspect of it?—I could not say that I thought that, because you will see by my letter that I gave my decision on that point. You will see I did not accept the Mayor's terms as he put them. You see, our transaction had been completed. We had arranged to transfer. It was treated by me as a request to have Mr. Macdonald's name put in as purchaser, and I stated the terms on which I would do that. I did not go and discuss with him the different reference in his letter.

144. Then this reply of yours of the 14th September goes right back to the original transaction in Cabinet?—Oh, yes!

145. And the Mayor's letter of the 5th September is the one on which you are giving your consent?—Notice the 15th is not a consent, but a letter which is giving the terms on which we will do a certain thing. It is not saying Yes to the Mayor's scheme. I do not know if I am making myself clear.

146. However, his letter of that date completely disclosed the fact, did it not, that Mr. Macdonald was the owner of the adjoining section?—Oh, yes! I did not take any exception to that being so. There must be some person in the position of owner, and it did not matter to us whether it was Mr. Macdonald or, for that matter, His Worship the Mayor himself.

147. *Mrs Greenslade.*] You say that you are not aware by whom the £652 was paid?—Oh! that goes to the Receiver of Land Revenue.

148. I suppose the Receiver of Land Revenue——?—He can tell from whom he got the cheque.

149. *Mr. Hislop:* The £652 was paid from Brandon, Hislop, and Johnston's Trust Account by arrangement between the City Solicitor and Brandon, Hislop, and Johnston as solicitors of the mortgagee, who was advancing the money.

*The Hon. Mr. McNab:* Before I sit down I intend to ask the Committee to put in as evidence in their report to the House the debate that took place in the House, because there a charge was made, amongst other things, against the Department; and I intend to ask the Committee to authorise the report of the debate to be published with their proceedings (see Appendix A).

FRANCIS MARION BATES FISHER examined on oath. (No. 7.)

*The Chairman:* The Committee would want to know how you got this information, and how you started it.

*Witness:* I think I should state to the Committee first of all that I am a member of the Wellington City Council and a member of the Finance Committee of the City Council, which is the committee empowered to deal on behalf of the Council with transactions of this nature. I propose to ask His Worship the Mayor to produce for this Committee the minutes of the Finance Committee of the City Council, to show, if possible, what the intention of the Council was at the time they started upon this transaction. I was not present, I think, when the subject first came up before the Finance Committee of the City Council, but ultimately a draft agreement was dictated by the Mayor between Mr. T. Kennedy Macdonald and the Wellington City Corporation, and, briefly summed up, the agreement stipulated that Mr. Macdonald was to cede to the city 45 perches of land on the corner of Woodward Street and Wellington Terrace; that in exchange therefor, or in completion of the transaction, a retaining-wall was to be built by the city at a cost of £200, of which amount Mr. Macdonald was to pay £100; that Mr. Macdonald was to have the option of using the retaining-wall for building purposes; that the retaining-wall was to be built subject to the conditions specified by the City Engineer; and that, in consideration of Mr.