

TUESDAY, THE 22ND DAY OF OCTOBER, 1912.

The Committee met at 10.30 a.m. pursuant to notice.

Present: Mr. E. Newman (Chairman), Hon. Mr. Buddo, Mr. Coates, Mr. Forbes, Mr. Guthrie, Mr. MacDonald, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. Robertson, Mr. R. W. Smith, Mr. Statham, Mr. Witty.

The minutes of the previous meeting were read and confirmed.

Paper No. 226 C, "Details in connection with the Purchase and Fencing of Part of Runanga No. 1A Block."

Mr. Forbes moved the adoption of the following draft report:—

"This Committee having called evidence in respect to the purchase by the Crown of 1,404 acres of the Runanga No. 1A property, which matter was referred to it by the House for inquiry, find—

"1. That the evidence before the Committee showed that it was desirable for the proper subdivision of the Pohokura Block of Crown land that 1,404 acres 2 roods 22 perches of the Runanga No. 1A property should be purchased for homestead-sites, and to give road-access to the proposed subdivisions that land could not have been acquired under either the Public Works Act or the Land for Settlements Act, and consequently had to be acquired by private treaty; and the price paid—viz., £2 10s. per acre—was a reasonable one under the circumstances.

"2. That negotiations were started on the 28th November, 1910, to acquire the portion of Runanga No. 1A land required, and the owner Mr. T. Ballin, of Christchurch, offered to sell at £4 per acre. This price was thought excessive, and the matter was hung up until Ballin sold the whole property of 64,665 acres to Mr. G. W. Russell, M.P., on the 23rd March, 1911, and on the 17th June Mr. Russell, through his solicitors, submitted a fresh offer of £2 10s. per acre, which was accepted by the Lands Department.

"3. That after a careful consideration of the whole matter the Committee is of opinion that Mr. G. W. Russell did nothing improper, as a member of Parliament, or in his private capacity, in connection with the sale of the land to the Government."

Mr. Guthrie moved as an amendment that the Committee adopt the following draft report:—

"1. Was it desirable that the Government should acquire this portion of Runanga?—*Answer*: Yes.

"2. Could the land purchased, other than that portion actually required for roads, be acquired in any other way, except by private treaty?—*Answer*: No.

"3. Was the price excessive?—*Answer*: Not under the circumstances.

"4. Was Mr. Russell, M.P., responsible for the completion of the sale of this portion of the land to the Government?—*Answer*: Yes.

"5. Did Mr. Russell, as member of Parliament, use any undue influence with the Government to effect the completion of the sale?—*Answer*: No.

"6. Did Mr. Russell by this transaction violate any resolution of the House in dealing with such matters?—*Answer*: Yes."

Resolved, That clause 1 stand part of the motion.

Resolved, That clause 2 stand part of the motion.

Resolved, That clause 3 stand part of the motion.

Clause 4: Resolved, on the motion of Mr. Witty, that clause 4 be amended by the addition of the words "by reducing the price from £4, which had been asked by the previous owner, to £2 10s. per acre."

Mr. Witty moved to amend clause 5 by striking out the word "undue."

And the question being put, that the word "undue" be deleted, the Committee divided, and the names were taken down as follow:—

Ayes, 6: Hon. Mr. Buddo, Mr. Forbes, Mr. MacDonald, Mr. Robertson, Mr. R. W. Smith, Mr. Witty.

Noes, 6: Mr. Coates, Mr. Guthrie, Mr. E. Newman, Mr. Nosworthy, Mr. T. W. Rhodes, Mr. Statham.

And the voting being equal, the Chairman gave his casting vote with the "Ayes," and so it passed in the negative.

And the question being put, that clause 5 stand part of the motion, the Committee divided, and the names were taken down as follow:—

Ayes, 5: Mr. Coates, Mr. Guthrie, Mr. E. Newman, Mr. Nosworthy, Mr. Statham.

Noes, 7: Hon. Mr. Buddo, Mr. Forbes, Mr. MacDonald, Mr. T. W. Rhodes, Mr. Robertson, Mr. R. W. Smith, Mr. Witty.

And so it passed in the negative.

Resolved, on the motion of Mr. Rhodes, that the following new clause be added to the motion:—

"5. Did Mr. Russell use any undue influence as a member of Parliament to effect the sale?—*Answer*: No."

Mr. Statham moved, That the following new clause be added to the motion:—

"6. Did Mr. Russell conduct the negotiations in his own name?—*Answer*: No; all the negotiations were conducted by him in the name of Thomas Ballin, the previous owner, and Mr. Kensington, then Under-Secretary for Lands, stated in evidence that he did not recognize Mr. Russell as the owner."

And the question being put, That the clause down to the words "previous owner" stand part of the motion, it was resolved in the affirmative.

And the question being put, That the balance of the clause stand part of the motion, the Committee divided, and the names were taken down as follow:—

Ayes, 9: Mr. Coates, Mr. Forbes, Mr. Guthrie, Mr. MacDonald, Mr. E. Newman, Mr. Nosworthy, Mr. Robertson, Mr. Statham, Mr. Witty.

Noes, 3: Hon. Mr. Buddo, Mr. T. W. Rhodes, Mr. R. W. Smith.

And so it was resolved in the affirmative.

Resolved, That the motion as amended be adopted.

Resolved, That the Resolutions of the Committee be reported to the House.

The Committee then adjourned.