

tions—the works and the steamer. No business resulted, because Mr. Rowlands says that he intimated, as he says he had done at the first interview, that the price was too high.

VISIT TO WAIPAOA WORKS : WHO BROUGHT IT ABOUT.

In May, 1923, Mr. Rowlands, a Mr. Trott, and young Mr. Vestey were in Gisborne, and they visited Mr. Lysnar's works on that occasion. There is a sharp conflict of testimony both as to how Mr. Rowlands and party happened to visit Mr. Lysnar's works and also as to what took place out there. Mr. Rowlands's story is, shortly, as follows : He said that he was met between the head office and the Gisborne Club by Mr. Lysnar and that Mr. Lysnar desired Mr. Rowlands and party to have a look at the works ; and that Mr. Rowlands in consequence altered his arrangements, and agreed to call early the next morning on his way to Motu and Opotiki. We may add here, for clearness, that the road from Gisborne to Motu passes close to Mr. Lysnar's works. Mr. Rowlands says that immediately after breakfast Mr. Tolerton, Mr. Trott, Mr. Vestey, and Mr. Rowlands went to the works, where they were met by Messrs. Lysnar, Witters, and Matthews. He went on to say that Messrs. Trott and Vestey were entertained and had some refreshments, but that the three directors had a somewhat lengthy interview with him in another room. Mr. Rowlands says that the directors again discussed with him the question of his firm buying out the works. Mr. Rowlands was cross-examined by Mr. Lysnar, who suggested that he (Mr. Lysnar) did not invite Mr. Rowlands to go to the works, but that the first he knew of the matter was that he happened to be at the works, and that he was rung up while there. At page 224 Mr. Lysnar asks—

Now, you said I pressed you in Gisborne to go out with young Mr. Vestey to the works : did you not know we were having a meeting at the works, and I was rung up at the works, and would we mind you coming out. I sent a message back, "Certainly, come out." There was a number of directors there. We were pleased to see you ?—No, you were waiting for me to come to the office all day. Immediately I arrived there I was told there were some telegrams at the hotel. I stepped from the office door—you came straight across and stopped me within 15 yards of the office, and asked me what I had been doing, and whether I had not made arrangements to take Mr. Vestey and Mr. Trott to the works. You assumed that Mr. Trott was a director of the company, which was entirely wrong. I told you we were starting away in the morning, and you said that you had some of the directors anxious to meet us, and you insisted on me taking the party to the works on our way past. I did it because there were other directors anxious to meet us and just to have a look round the place.

Mr. Lysnar was asked—

Do we understand that you state that you did not see him at this 15 yards from the office ?—No, I did not. One of the other directors rang me at the works. I said, "Yes, come up," and it was in the afternoon Mr. Rowlands got up there.

Mr. Lysnar (to Mr. Rowlands) : You say it was in the morning, Mr. Rowlands.

Mr. Rowlands : Yes. When you took me to task for not having allowed sufficient time to take these people round the works you asked what our programme was. I told you. You insisted there was time even then to get round the works, so we arranged to be there at 8.30 a.m. next day, and we did so. We left somewhere between 7 and 8 a.m. from Gisborne, and you were waiting for us at the works at 8.30. We got away again about 10.30 to get through to Motuhora to catch the service car leaving there at 2 p.m. for Opotiki.

Now, Mr. Witters gave evidence about this matter, and he said that Mr. Rowlands saw him in the street, and he rang up Mr. Lysnar. Two independent witnesses gave evidence about this matter. They were Mr. Rees-Jones, the former works-manager, and Mr. McLellan, the former accountant.

Mr. Rees-Jones, formerly the works-manager for Mr. Lysnar's company, said that he recollected the meeting that occurred at the works : that Mr. Rowlands, Mr. Vestey, Mr. Trott, and Mr. Tolerton saw over the works. He said, "Yes, I remember it well." "Yes, it was in the morning." He was asked if he knew where they were going, and he said he thought they were going through to Rotorua. When asked at what time the transport started from Motu for Rotorua he said the vehicles left there just after dinner—about quarter to 2 o'clock. He said the party arrived at the works at about half past 10 o'clock. He was certain about it because he was told to go along and get morning tea for them. The works "smoke-oh" was over when he went across, and that is at 10 o'clock. When