8. Do you mean an endowment in the ordinary sense of the term?—Yes. I believe one of the purposes the reserve is intended to be devoted to is for a reservoir to hold flood water. An excellent recreation-ground could also be made there.

9. Then are you of opinion that the Crown grant has been illegally issued?—Decidedly.

- 10. Is Mr. Gillies's letter here?—No; but I can get it.
 11. What is the date?—The 4th August, 1876. The Crown grant was not issued for nearly twelve months thereafter.
- 12. Have we any power to interfere with what has already been Crown-granted?—Yes, certainly, if issued in error.
- 13. How far is this reserve from Dunedin City?—It is close to the Anderson's Bay Road, between the gasworks and cricket-ground.

14. Where is the South Dunedin municipality?—It extends from the cricket-ground to the Ocean Beach.

[The Chairman read a memorandum from the Assistant Surveyor-General, forwarding papers on the subject.]

15. Mr. Reid.] Who are the holders of the Crown grant?—The Harbour Board.
16. Was this reserve included in the reserves granted to the Harbour Board in 1875?—No. All the lands vested in the Superintendent are set forth in the 4th section. This has been applied for in terms of the 5th section, which you will see does not apply at all.

17. In "The Harbour Board Act, 1875," there was a plan showing all the reserves that belonged to the harbour. Is this one of them?—No.

18. A telegram states that this land forms part of security issued to debenture-holders?—I do not suppose they have issued debentures since.

19. Do you state this is within the boundaries of the municipality?—It is within the extended

boundary

20. Do you know if the object of that application to extend the boundary was simply with a view of getting this land included in it?—I am not aware.

21. When the boundary was extended, did it include anything but this land?—It included the

frontage down to high watermark.

22. Then you say that this might be used as a recreation-ground?—Yes.

23. Do you think the municipality there requires any land of this character as a recreationground, seeing it is in close proximity to the sand-hills and Ocean Beach, which are reserved there?—I think it may come to be densely populated, but confess that if I was the Municipality, I would do with it as the Harbour Board proposes to do-lease it.

24. Do you remember the works of the Peninsula and Ocean Beach Railway Company being stopped on the ground that they passed over land the province could not give them any control over?

-Yes; I recollect that.
25. If that had been Crown land, would it not have been in the power of the Provincial Government to have allowed them to construct a railway across it?-I think it was in the power of the Provincial Government, and they did give permission; and the dispute which arose between the Provincial and General Governments had reference to the line further on.

26. Is it not a fact that there is no vegetation on this particular reserve other than that which

grows in salt-water?—I could not say.

27. Are you aware whether this plan had been submitted to and approved by the Governor?—

I am not aware; but no doubt it was. 28. Then this plan legally conferred on the Board power to reclaim and improve this land?—I do

not think the Governor knew that this was Crown land at the time, and that it required no recla-

29. Then, the fact of this plan having been submitted in accordance with this proviso, and approved by the Governor, the Board were at full liberty then to proceed to improve this land and reclaim it?—I cannot understand how the Board can reclaim land already reclaimed. I think the plan had reference to the harbour works. Sections 4 and 5 are the two sections which deal with the question of endowment. It is a remarkable thing that the Solicitor-General, when the matter was submitted to him, called attention to this very point, and said these ten acres could not be granted until reclaimed from the sea. It has not been reclaimed from the sea, and nevertheless the land has been granted. The Waste Lands Board had no voice in it; their business was to reserve it from sale temporarily, when directed to do so by the Superintendent of Otago, under the powers vested in him.

30. Did they not reserve it?—Yes, they reserved it, assuming it was Crown land. I may state, if

you have any doubt as to the position of the land, you ought to have Mr. McKerrow, who made the

survey, here. 31. Was the first action that was taken in reference to this land by the Harbour Board the letter of Mr. Gillies's, of the 4th August?—That is the first record that appears among the papers in the Crown Lands Office.

32. Which is the first action on the part of the Municipality?—I do not know, but there used to be deputations waiting on the Superintendent every other week. No action was taken until October