

218. What did Shera pay?—At the rate of £500 a year.

219. Will you also give the total rent paid up to date?—The total rent received to date was £423 10s., of which £12 was received for casual tenancy this year. The difference of £411 10s. comprised Shera Brothers, six months to 30th September, 1885, £250, and Union Insurance Company, seven months to 31st October, 1885.

220. What are your present arrangements with respect to offices?—We are occupying an office in Mr. Firth's premises at £3 10s. a week. The accommodation is very inadequate and inconvenient. I have not removed the offices pending the completion of arrangements for the new building.

221. What amounts for commission were paid in connection with this purchase?—None.

222. No commission?—None whatever; no commission was paid by us.

223. What fees were paid for valuation?—Mr. Moss got a fee of twenty-five guineas: that was the only fee paid.

224. Have you got a memorandum of the whole of the expenses in connection with this purchase?—Yes.

225. Who acted as legal advisers for the Government in completing the purchase?—Mr. Cave.

226. *Mr. Stewart.*] Who is Mr. Cave?—He was a partner with Mr. Tole.

227. *The Chairman.*] Is he a partner now?—I do not think so.

228. Who are the usual insurance valuers in Auckland?—The following are the names of the Auckland District valuers: Mr. Moss, Mr. Aitken, Mr. J. B. Whyte, Mr. Frater, Major Wilson, and Mr. W. A. Graham.

229. Is there anything else in connection with this purchase you would like to say?—I do not know of anything else I have to say.

230. Why did you not move into the building during the interval that elapsed after the purchase?—Because the Building Committee and the Board have been waiting to decide what kind of a building they would erect.

231. *Mr. Holmes.*] Did you ever propose to the Building Committee that they were paying £3 10s a week for office-accommodation elsewhere—that that money was being wasted?—They knew it.

232. Did you ever directly bring it under their cognizance that you were throwing away £3 10s. a week for twelve months?—I do not know that I brought it directly under their attention. We were always speaking about moving. They were holding back to decide whether they would build a new front or erect a new building altogether.

233. *The Chairman.*] During the time when all these telegrams went from Mr. Tole to Sir Julius Vogel, were the rest of the sub-committee in Auckland?—Messrs. Graham and Shannon were in Auckland. Mr. Tole was in Wellington; Sir Julius Vogel in Dunedin.

234. Then, there being a majority of the sub-committee in Auckland, why should they not communicate through the other members themselves?—I do not know. The arrangement did not come through me at all. After the whole thing was completed I got the telegrams that had been sent.

235. Did the telegrams referred to pass through the office?—No, they passed between the gentlemen themselves; and I got them only when the transaction was completed.

236. *Mr. Stewart.*] Does that answer apply to the telegrams that passed between Mr. Tole and Mr. Shera?—Yes.

237. You had no knowledge of what was going on?—Not of the details. I knew they were communicating, and I received the telegrams after completion of the transaction.

238. *Mr. Holmes.*] Did Mr. Fisher go up to Auckland?—Yes, he went up the first time, but not on the second occasion; he was not appointed on the second committee.

239. *Mr. Stewart.*] You say you got the telegrams after the purchase was completed on the 31st March: did Mr. Tole give you copies of the telegrams he forwarded to Mr. Shera?—Yes; I find a note from Mr. Tole to myself, received on 7th April, 1885, sending me the "offer and correspondence connected with the Auckland purchase and the telegrams concluding the purchase."

240. *The Chairman.*] Will you give the Committee the main points of the Wellington purchase?—It was valued on the 19th March, 1881, at £12,500; but the proposal then made to purchase was not acted upon.

241. To whom did the property belong?—It belonged to the Government. It was originally the property of the Provincial Government, but vested in the General Government after the abolition of provinces. On the 23rd April, 1881, an Order in Council authorized the removal of the head office to the Provincial Buildings. In September, 1884, the purchase question was revived by my memorandum to the Colonial Treasurer. I there stated that £15,000 was suggested as the price by the late Colonial Treasurer in February, 1884.

242. How was the price ultimately settled?—The Colonial Treasurer directed me to employ Mr. Toxward to value the building. That was in October, 1884. It was valued by him at £16,000. Eventually the Government decided to sell to the Insurance Department for £18,000.

243. Have you got any rental for it?—Yes.

244. What buildings were put up?—We put up no buildings except a lavatory. They are the Provincial Buildings; the buildings went with the property.

245. How much were they valued at?—They were valued roughly at between £3,000 and £4,000.

246. They are the offices of the department?—Yes. A portion of the buildings is occupied by the Crown Lands and Survey Department at a present yearly rental of £400. The Customs pay £66 for one room; and the Registrar of Births, £34; the Land and Deeds and Land Transfer, £276; Wellington Education Board, £100: thus making a return annually of £876, besides our own occupation, which we value at £500.

247. What is the meaning of the item £843, expenses, additions, &c.?—£409 was the price of