

the same for a part as for the whole. He told me on that occasion that nothing would induce him to take less than £20,000 for the whole property. I then communicated with the Minister of Defence, in whose department the matter was, and told him the circumstances of the case. He asked me to endeavour to settle the thing before I left Auckland. Accordingly I took it in hand. I had several long interviews with the Land Purchase officer, Mr. Brewer, and he gave me practically all the information which is contained in the correspondence. I may say that, after two or three conversations with him, I instructed him to pick up all the information he could and prepare himself for going into the Compensation Court, and to be able to go fully into the matter on my return from the Waikato. I was a few days away, and he then laid the information before me; and Mr. Stark called on me to know what the intentions of the Government were. Mr. Brewer told me that, if he were called into Court, his evidence would be in accordance with the details he laid before me—that the property was worth about £17,500. I was very much astounded at the amount at the time, and took steps to ascertain what the property-tax valuation of the property was. I telegraphed to the Property-tax Commissioner; and, as there was some discrepancy in the figures, I took steps to ascertain what sort of man his valuator was. I was told that I might thoroughly rely upon his valuation—that was, the valuator for the Devonport District. The result was that the valuation I had been given was confirmed as being a fair valuation for property-tax purposes. I then consulted two or three gentlemen, who gave me their opinions confidentially, to confirm the valuation. After this, with the consent of my colleagues, I made an offer to Mr. Stark, informing him, at the same time, that he would not get any better terms from the Government; and that, if he demurred to these, the Government would go into the Compensation Court. I think it was the next day that he accepted the offer I had made him. I may state that I am not aware of any single case that has been taken into Court where we have been able to induce the Court to fix any sum below the property-tax valuation, as a rule we have had to pay more than the 10 per cent. above the property-tax valuation.

101. *Mr. Gore.*] What was the property-tax valuation in this case?—£15,600.

102. How much did you pay for the property?—£17,100—exactly 10 per cent. more. I may say that when Mr. Stark first came to me he brought a plan showing the way in which, before there was any talk of the matter at all, he had proposed to cut up the property and sell it; and, on Mr. Brewer's valuation of the prices of land selling in that district at the time, the property would have sold for a much larger sum than that which we offered him.

103. *Mr. Holmes.*] Do you know what instructions are sent to Property-tax Valuers—are they allowed to take any valuation that is given them, or are they bound to inquire whether the land is overvalued or not?—I am not aware what instructions are given.

104. *Hon. Major Atkinson.*] I understand that you bought the property after communication with Mr. Brewer as to the valuation?—Certainly; I had several interviews with him.

105. Then Mr. Brewer's telegram is incorrect in that respect?—I think the explanation of this telegram is this: After I had several interviews with him I told him to put down in writing the information he had given me. I think he was ill for a day or two—at all events, something took him away—and, as my confidential clerk had taken notes of what he had told me, and I had myself, I did not wait to get the information from Mr. Brewer in writing. I think that is the interpretation of that part of his telegram.

106. He says in the papers that he had no responsibility?—He must take his own view of that. He is paid a salary by the Government for procuring information and giving advice. It is a matter of opinion whether he is responsible or not.

107. Clearly that telegram would imply that he had not any responsibility?—It is quite wrong, at that rate.

108. *The Chairman.*] Are you aware of any letter sent to Mr. Brewer from Mr. Stark? Mr. Brewer states in his telegram that Mr. Stark wrote him a letter on the 19th January saying that he had settled with the Minister. Your offer was made on the 21st?—The offer was practically made to him verbally a day or two before the letter containing the offer was written. I did not know at the time whether he was going to accept or not. He had evidently made up his mind to do so.

109. Then Mr. Brewer is so far right in saying that an offer had been made preceding the formal offer, or that you had told him what you were going to do?—Yes, no doubt.

110. *Mr. Dargaville.*] You referred to several interviews you had with Mr. Brewer prior to taking any decisive action: were those interviews at intervals of a day or two?—Yes, longer than that; because the first interview was before I went to the Waikato, when I gave him instructions to pick up information. I was eight or ten days away, and saw him again when I came back.

112. It was, then, after you came back from the Waikato, and before you made the offer to Mr. Stark, that Mr. Brewer gave you the detailed particulars as to how the value was arrived at?—Yes.

113. These interviews as between Mr. Brewer and yourself were verbal?—Yes.

114. You said just now that you had your confidential clerk present?—Yes.

115. Did he take notes of these conversations?—I cannot say whether he or I took the figures down: I had them, at all events, because I quoted them to my colleagues.

116. There were memoranda made of these conversations, and the important particulars?—The information which he picked up and gave me is pretty fully set forth in the correspondence—in his letter at the time, and in a more formal letter written at my request in the following April.

117. There is likely to be a conflict of evidence between yourself and Mr. Brewer, and I want to ascertain whether there were any memoranda made at the time, by either yourself or your clerk, which would corroborate the particulars that Mr. Brewer then gave you?—I think not; because, in order to have an official record of the information given me, I directed Mr. Brewer to put the result of the interview of the 20th in writing, which he did on the same day.