

232. Kissling says you did know, and that it was no secret; but you still say that, until the resolution was passed accepting the £632, you were quite in ignorance?—All the Board had before it was two letters—the one from Mr. Kissling and the other from Mr. Brewer.

233. Do you state, as a matter of fact, that, as far as your knowledge goes, the Board did not know before they passed that resolution to accept the £632 that it was the intention of the Government to transfer the balance of the freehold to Mrs. Kissling?—As a matter of fact, I believe they did not know.

234. And you did not?—No.

235. If they had known that the Government did not, in fact, require the whole of the land they professed to take for defence purposes, would they have taken steps to get the balance of the land back for the Trust?—That I cannot tell you.

236. *Mr. Hesketh.*] Are we right in understanding that the great value of this property was its value as a marine site?—Undoubtedly.

237. I do not mean overlooking the water; it gives direct access to the water?—Yes; and over-looks the water as well.

238. At that time, was there any apprehension of the access to the water being taken away by this railway, or otherwise?—The question had been agitated in the papers for a loop-line, and opinions were conflicting as to whether it would go by Freeman's Bay or that way. I do not think there was anything decided.

239. Was the £632 accepted on the belief that the land would be taken once and for all from the Board?—Undoubtedly.

240. Was there, as far as you can tell us, any idea in the minds of the members of the Board that by accepting this £632 Mr. Kissling, or some particular person, would be benefited by it?—I think not.

241. You say you did not know of the existence of section 14 of "The Public Works Act, 1882," requiring the Government, if they had too much land, to offer it to the person from whom it was taken?—I was not aware of that.

242. After the passing of the Act of 1885, did the Board believe they were powerless to resist the Government?—Yes; that was quite the opinion of the Board.

243. As far as you can tell us, if any other portion of the Board's land had been taken in the same way and for the same purpose, would you have proceeded on the same basis in testing the amount of any offer that was made, irrespective of the parties for which it was taken or the persons affected by its being taken—would you have proceeded on the same basis?—I believe the Board would have proceeded on the same basis.

244. You were asked what would the Board have done if they had known of the existence of section 14 of the Act: do I understand that the idea never occurred to you because you were never aware of the provisions of the Act?—It never occurred in any way; I never thought of it.

245. Was such a subject ever discussed at any of the Board meetings to your knowledge as to whether you had the power to insist on the land being given back to you?—No; the question was never raised.

246. *Mr. Mahony.*] Supposing the land were sold, subject to Kissling's lease for forty-eight years, do you think it would not have brought any more than £632?—No; I do not think it would have brought as much as that in the open market.

247. So that it would not have brought as much as you got?—Yes.

248. If you had anticipated that a considerable portion of the land was to come back to you, would you have expected as much as £632?—Certainly not. We went on the assumption that the Government took it once and for all.

249. You spoke of the reclamation at Mechanics' Bay: do you not know, as a fact, that the reclamation towards Mechanics' Bay has been a decided deterioration of what were properties with riparian rights?—Undoubtedly.

250. Properties which twenty-five years ago were valuable for private residences are now seriously reduced in value?—Yes.

Mr. COCHRANE recalled.

251. *Dr. Giles.*] Were you asked at an earlier stage anything about an objection from the Board about the estate of the Board?—No.

252. There was an objection made?—Yes; but I think it was later.

253. It was referred by the Government to Mr. Seth Smith, Resident Magistrate?—That was later.

254. Do you remember when that was?—That was after the 18th February.

255. After all this matter was settled?—Yes; it related to another piece of land which was not leased, also the property of the Board.

256. That objection was founded on injury done to the whole of the Board's lessees—cutting off their approach to the water?—Yes.

257. What "taking" did that refer to?—That referred to the extreme point.

258. And the Proclamation took the land all in one?—Yes.

259. Was that objection made before the Proclamation was issued?—No; it was made on receipt of a copy of the Proclamation which was forwarded to the Board.

260. And why was that objection withdrawn: it was withdrawn, was it not?—Yes; because it was understood that compensation would be paid, and it was referred to the Assessment Court afterwards; at least, the case was started.

261. It has no immediate connection with this question?—None whatever.

262. I thought possibly the Trustees might like it to be mentioned, as showing they are not apathetic in looking after their trusts generally. I do not know that it is necessary to pursue that point. You say the objection was withdrawn because it was understood compensation would be