

887. But what would you have thought of such a proposal at the time, as compared with what the Government have done?—Well, I think it would be preferable to selling the freehold right, because the land at some time or other would revert to the trust.

888. A lease of that kind would have been consistent with your rights, as at some future time the land might have come back into the trust?—Yes. I think that the great grievance the Trustees have to complain of is being deprived of the freehold.

889. That being the case—such a recommendation having been made to the Government and approved by them before Mr. Brewer's arrangement was thought of—your view of the matter would be modified?—Yes; it would be a preferable plan.

890. In point of fact, it would appear from what we now know that the object of taking the whole of the land was not purely and solely to reconvey a portion of it, because the taking of all of it had been contemplated before?—I never heard Mr. Mackay's name mixed up with the matter at all until this investigation began.

*Mr. Napier* : You may remember, Mr. Chairman, that in Mr. Brewer's letter to Mr. C. Y. O'Connor he says—the suggestion was his own—that he had ascertained from a conversation with Mr. Kissling that the latter had a strong desire to acquire the balance of the land.

*Dr. Giles* : I know he does. Any one reading the letter would think it was a new proposal to take the whole of the land; but Mr. Mackay says he had recommended it previously.

*Mr. Napier* : But there is nothing to show that Mr. Brewer was aware that Mr. Mackay had made that suggestion.

*Dr. Giles* : I do not know that there is.

*Mr. Pierce* : There is one suggestion that perhaps I may be allowed to make. I think it would perhaps be very useful for the purposes of this inquiry that Bishop Cowie should be examined before it closes. He is now absent from the colony, but he will be here in December.

*Dr. Giles* : Our inquiry will be closed long before that. We are limited to the 22nd of this month.

*Mr. Pierce* : The Bishop's evidence would be very useful. He has presided calmly and impartially over the meetings of the Trust Board.

*Mr. Napier* : I have a letter from the Bishop showing his opinion on the matter.

*Mr. Pierce* : He was interviewed by a reporter, and gave a very decided opinion on the matter.

*Mr. Napier* : Perhaps I had better read the letter. Here it is.

*Dr. Giles* : What is its date?

*Mr. Napier* : It is not dated. I think it must be taken from parliamentary papers.

*Mr. Hesketh* : To whom is it addressed?

*Mr. Napier* : That is not even stated.

*Mr. Hesketh* : Perhaps it can be taken now, and vouched for later on.

*Mr. Napier* : I will ask Sir George Grey for the required information, and supply it later on. I will now read the copy of the letter: "Sir,—As there seems to be still some misunderstanding of the action of the Government and of the Trustees in relation to loss of land sustained by the St. Stephen's estate in connection with Point Resolution, I shall be obliged by your publishing the following facts: The late Captain Heale leased 4½ acres of the St. Stephen's School estate at the said Point, near to the St. Stephen's Cemetery, for which he paid the Trustees £17 a year. The date of the lease was August, 1873, and the term was sixty years. When he left New Zealand Captain Heale sold the remainder of his lease, forty-eight years, to Mr. G. S. Kissling. By an Act of Parliament passed in 1885 the Government was empowered to take for defensive purposes as much land at Point Resolution as was necessary. They accordingly took the land formerly leased to Captain Heale by the St. Stephen's Trustees, in spite of Mr. Kissling's protest, which he made in the form of an action in the Supreme Court. The Government valued the land taken by them at £6,000, of which sum the Trustees received £632, and Mr. Kissling, I believe, £5,368. The Government then sold what they did not require of the taken land to Mr. Kissling for £4,250, I believe. As the rent paid by Mr. Kissling to the Trustees was only £17, and the lease had forty-five years to run, it was thought by the arbitrators that £632 was sufficient compensation to pay to the St. Stephen's estate. In reference to the whole transaction it would seem that if injury has been done to the St. Stephen's estate the Government alone are to blame, for the Trustees had no choice in the matter, and Mr. Kissling's action was a business transaction. It is, however, an important consideration (1) whether the Government had the right to take from the St. Stephen's estate more land than they needed for defensive purposes, and (2) whether they had the right to sell any portion of the land so taken.—Yours obediently, W. G. AUCKLAND, Bishop, Chairman of the Board of Trustees."

WEDNESDAY, 10TH OCTOBER, 1888.

HERBERT MOLYNEUX BREWER sworn and examined.

891. *Dr. Giles*.] In the year 1885 you were in the employ of the Government, Mr. Brewer?—I was, as a land-purchase officer, and I had been in that position for upwards of fifteen years.

892. Up to what time did you remain in the service of the Government?—I think it was 1885 or 1886, I am not quite sure which, that I resigned.

893. In the latter part of 1885 you were in Auckland engaged on behalf of the Government in settling a question with Mr. Kissling of land taken from him at Point Resolution?—Yes.

894. By whom were you instructed?—By the Government.

895. But what department?—The Public Works Department. I was more especially instructed in this particular matter by the Defence Minister, but I came up from the Public Works Department.

896. To what department did your office belong?—The Public Works Department.

897. Can you tell us what was the first communication or instruction of any kind you got with