

He mentioned to me before the drawing that a good many were going in for the section to get something out of it, but they were mistaken in thinking they would get a bonus from him.

685. What you are telling us is simply hearsay?—Exactly so.

JAMES MORGAN sworn and examined.

[This evidence has not been revised by the witness.]

686. *The Chairman.*] What are you?—I am a dairyman living at Woodville.

687. *Mr. Smith.*] You know Mr. Joseph Sowry?—Yes.

688. The successful applicant for Section 1, Block XIV., Woodville?—Yes.

689. Has he at any time stated anything to you about this section—about the drawing for it or anything?—Yes; I think on the day he put in for it. I think he put in that morning, and drove out to my place in the afternoon.

690. What did he say to you then?—I could not tell you the exact words.

691. Give us the sense of what he said?—He said he met Mr. Peebles in the town, and Mr. Peebles asked him to go in for this section, and he thought it would do him a favour to go in for the section.

692. That is, to go in for the section for Mr. Peebles?—Yes; that is the impression he left on my mind. The exact words I could not say, as I never expected to come here.

693. You believe, from what Mr. Sowry told you on the day the section was drawn for, that he was going in for the section for Mr. Peebles, and not for himself?—Of course that is what I understood; and that he would make some arrangements afterwards.

694. What did you understand by the arrangements he was to make afterwards?—I thought that the section was very handy to Mr. Peebles's, and that he was doing this out of kindness.

695. You understood that Mr. Peebles would give him something?—Yes.

696. Have you had any other communication with Mr. Sowry at any time?—No; not since. Mr. Sowry has not spoken to me since.

697. Has Mr. Peebles spoken to you about this section since?—I saw him when he came back from Napier.

698. What did you say to him?—I said I thought he had good luck in getting it. He said, "What do you mean?" I said I knew all about it. He asked who told me, and I said Mr. Sowry had told me. Then, of course, he acknowledged it—that Mr. Sowry had put in for the section for him.

699. *Mr. McKenzie.*] Were you an applicant for this section yourself?—No. Mr. Peebles and I were neighbours, and I did not wish to be in opposition to him.

700. Were you an applicant for other land at the same time?—No.

701. You have no direct interest in any way?—No; none whatever. I was very sorry to have to come here.

702. *Mr. Kerr.*] You did not understand from Mr. Peebles or any one else that he had given Mr. Sowry the deposit to pay?—Well, it is a long time ago now—nearly nine months—and I forget whether I understood that money or not. I cannot give you the exact words, but I should like to make it clear. Mr. Sowry said he saw Mr. Peebles in the town, and Mr. Peebles asked him whether he would go in for the section, as there were a lot going in for it. He was staggered at first, and said he was not going in. Mr. Peebles then said, "You can give me your name," and he did so.

703. Can you understand how Mr. Peebles found the money?—Mr. Peebles had the money ready. I must say I did not think there was any harm in it.

704. Did you hear of Mr. Sowry being offered a handsome profit on it?—I heard something of it, but I have no knowledge of it.

ROWE FENNELL sworn and examined.

[This evidence has not been revised by the witness.]

705. *The Chairman.*] What are you?—Clerk to the Woodville Road Board.

706. Living at?—Woodville.

707. Do you know Mr. Joseph Sowry, the successful applicant for Section 1, Block XIV.?—Very well.

708. Have you had any communication or talk with him at any time with reference to this section?—Yes.

709. Did he first speak to you about it?—I could not say, but it was about the section he was in for.

710. What did he say to you then?—He told me he had put in for Mr. Peebles.

711. On behalf of Mr. Alexander Peebles, senior, I suppose?—Yes.

712. He told you that before the drawing?—Yes.

713. Did he tell you anything after the drawing—after he had been the successful applicant?—Not until the other day.

714. Not until a day or two ago?—About a couple of weeks ago.

715. What did he say then?—We had a conversation about it, and I told him what he had stated to me, and he denied it.

716. I understand you to say that he denied that he had made that statement?—Yes.

717. Did he tell you absolutely that he was going in for that section for Mr. Peebles, and not for himself?—Yes.

718. Did he tell you at any time that he had an offer of £150, or anything like that, as a bonus for this section?—Yes.

719. When did he tell you that?—I think he told me on the day that the wire came stating that the Chief Justice had given a decision in his favour.

720. And he said he had an offer?—He met me going into the post-office, and told me that a man had made him an offer of £150 on the bargain.