

61. How long prior to that?—I cannot say. Then there was a third lease, dated the 12th June, 1903 [Exhibit No. 12].

62. The Archdeacon agrees under that lease to surrender 100 acres, which include the College grounds?—Yes, when the land is required for the use of the College.

63. I suppose the covenants of the lease have been carried out?—Yes.

64. Under this lease the Archdeacon has the right to remove all buildings which have been erected for station purposes?—Yes. It has nothing whatever to do with the College portion.

65. The Archdeacon is now in possession under this lease, and he still occupies as well the position of manager of the College on behalf of the trustees?—Yes.

66. That lease is dated 1903, but apparently negotiations were going on about it for some time before?—Yes. Here is the report from Mr. Horace Baker to the trustees [Exhibit No. 13]. We did not feel we were justified in letting the land unless we had a report from a surveyor and valuator as to the letting value of the estate. I also produce figures obtained by the trustees from the reports of the Valuation Department as to the values placed on other station properties in the neighbourhood [Exhibit No. 14].

67. You produce also the correspondence between the Archdeacon and the trustees and their solicitors?—Yes [Exhibit No. 15].

68. The minute-books show what took place at meetings of the trustees?—Yes.

69. Did the trustees give this matter their very careful consideration?—Yes, very careful indeed.

70. Did they have the valuation before them at their meeting?—Yes.

71. And finally they consented to this lease, and signed the lease?—Yes. I may say that the increased rent that we placed on the estate included the improvements that Archdeacon Williams had made himself, and for which the estate had given him no remuneration. Mr. Baker's valuation of the letting value did not amount to £2,200, but the trustees, whether rightly or wrongly, said that they wanted £2,200.

72. When Mr. Baker's valuation was got during the negotiations, was it understood that Mr. Baker was to be a sort of arbitrator between the Archdeacon and the trustees, or was he acting solely on behalf of the trustees?—On behalf of the trustees.

73. Who paid him for the valuation?—The trustees paid him out of the estate.

74. Then he was acting solely in the interests of the trustees?—Yes.

75. And you asked about £100 more than his valuation?—Yes. There was a difference between a twenty-one years' and seven years' lease, and we split the difference in granting a twelve years' lease.

76. How long have you been in business in Napier?—I retired from the Civil Service—I was Deputy Commissioner of Stamps—in 1879, and I have been in business since then.

77. Having regard to the whole of the surrounding circumstances, are you prepared to state that, in your opinion, the lease you made was a lease to the best advantage of the trust?—Most decidedly. I do not think there can be any doubt whatever about that.

78. Did you or the trustees consider the question of cutting the estate up into farms, or of letting it by auction or tender?—It was mentioned, but we thought it would be detrimental to the trust. As Archdeacon Williams was superintendent of the College, and also had been such a very good tenant, we thought it was far better to let the land to him than to let it to anybody else, or cut it up and have a number of tenants there who might be detrimental to the trust. Such tenants might take everything out of the land and not be so satisfactory. The trustees considered these things, and we thought that Archdeacon Williams's presence there would be of great advantage to the trust. Of course, we only let it for twelve years.

79. You have authority to let without calling for tenders?—Yes.

80. Was the question of calling for tenders or of submitting the lease to auction ever discussed by the trustees?—It was discussed, but we did not take it into consideration.

81. Who raised the question?—I think it was merely mentioned in casual conversation amongst the trustees.

82. It was discussed by the trustees?—Yes. One person might have said, "Do you think it would be of advantage to cut it up?" and, of course, the answer was "No." It was felt it would be far better to let it to the Archdeacon as it was.

83. That was the conclusion you come to?—Unanimously.

84. That was in the interests of the trust and having regard not only to obtaining a revenue out of the estate, but to the retaining of his influence and personality in the administration of the College?—That is it.

85. As he had been the father of the trust away back in the "fifties," you thought he should continue to act in the capacity of manager and father, so to speak, during his lifetime?—Yes. And, to my knowledge, I consider we should not have received such rent as £2,200 if the land had been cut up as a leasehold for twelve years.

86. Of course, you would run the risk in cutting it up of having sections left on your hands?—Yes. And, another thing, we should have to road and subdivide it, and the expenses of surveying would probably have taken a very large percentage of the first year's rent.

87. I suppose you would have had to give a lease with a full compensation clause to induce people to take up the land for twenty-one years?—Yes, and I do not think any man with any business capacity would take over a place like that for twelve years, unless he meant to take the whole of the goodness out of the land. I consider it would be very, very detrimental to the trust. That is my opinion as a trustee, but, of course, you can get expert evidence as to that.

88. We are asking you these questions because our Commission says: "Whereas it is alleged that the lands have not been let by public tender or otherwise to the best advantage." If that means anything, it means that the trustees, in granting this or any other leases, have not had the interests of the trust at heart?—I contend that the trustees did let it to very great advantage.