

126. You never intimated to Mr. Hislop that you had been in communication with Mr. Kensington and had applied for this section?—There was no necessity. It was all part and parcel of conversations held and efforts made to acquire the land for the improvement.

127. Then, as far as you are aware, the only way by which the Mayor could have known that the consent of the Government had been obtained was when the Council had received an official letter?—That is so.

128. There had been no communication between you and him on the subject?—None whatever.

129. You told us just now in answer to a question that you had paid this £653 for the land?—Yes.

130. We have it in evidence that it was paid by the mortgagee? How does that coincide with your statement?—It has been charged to me by the mortgagee.

131. What do you mean by "paid by you"? Explain that?—Well, they had to pay me £2,400 according to the arrangement.

132. I was not asking that?—I have no objection to telling it. I desire you to understand the position: I had made an arrangement with a certain estate here that they would advance a considerable sum to build a six-story building there, but in the meantime—pending the arrangement of details—they were to make a temporary advance of three-fifths of the value of the land and that would be supplemented by the amount of £20,000 if required. On that basis they made an advance of £2,400, and out of their funds payment was made of the £653. The payment was made also of the £1,000 for the freehold, and I paid myself the other money.

133. That is entirely beside the question I put to you. You said you had paid the money. When a man says that, he means by cheque or by cash. We have it that the mortgagee paid it?—Well, the mortgagee paid it. It was left to the solicitors. You see the solicitors had the thing handed over to them and they dealt with it. I did not see the deeds—I did not see anything. I gave instructions in the ordinary way that the thing should be done.

134. You have read this correspondence I presume?—Yes, I have.

135. Do you not find in that correspondence that the Government insisted that the money should be paid by the Corporation? Was that done?—I do not know. I never saw this correspondence before.

136. Was that done?—I do not know.

137. Surely you know who paid it?—I know I paid it in the long-run because it has been disbursed out of the funds belonging to me.

138. Then the Corporation did not pay the money?—They may have paid it technically. I do not know. But this I do know—and let us be quite accurate on the matter—that I paid the money which was afterwards taken by the Government in some way or other. The £275, my contribution to the cost of the wall, has also been paid by me.

139. Your proportion of the cost of the wall?—Yes, my proportion. The money for the land has been paid by me in reality and I have given a free title without payment to the Corporation of all the land they required to complete their road-widening.

140. *The Chairman.*] In reality the road-widening has cost the Corporation nothing?—Nothing. Mr. Hislop as Mayor has assumed the attitude he did to make a good bargain for the Corporation. I think he made a bargain for the Corporation to my detriment. I am bound to say that. As I have already said, on one occasion I told him I thought he was a bit of a Jew in the way he was carrying out the negotiations. But all through this business it has been my experience that Mr. Hislop has done nothing but protect the city interests and has got me—and I am very sorry indeed, I am bound to say, that I ever agreed—to assist the Corporation in connection with the matter. Because if they had gone into the Compensation Court, which was the proper course, I should never have been bothered with the Government's derelict section or the corner arrangements at all; and the Corporation should have paid me a substantial sum for what they have taken, and they would have had to pay for that. Whereas instead of getting any money from them I am a thousand pounds in round figures worse off by having had any negotiations with them.

141. In regard to the 47 perches which you conveyed to the Corporation for street-widening, was that part of the section you bought from Loves?—Yes.

142. Part of your freehold land?—Yes, it was my freehold land that was conveyed free of cost to the corporation.

143. *Mr. Laing.*] I should like to ask one question: If Mr. Macdonald had known that the Council wanted such a small area he would have been willing to make them a present of it?—Yes.

144. In that case it would not have been necessary to make this exchange?—No.

145. *Mr. Lawry.*] Or to buy the derelict section?—Or to buy the derelict section.

146. *Mr. Rhodes.*] You would have given that land for the sake of improving your section?—It would come in that way of course.

147. And the section must have been improved in value by the alteration of the road?—No doubt.

148. *Mr. Symes.*] How long is it since you acquired Love's interest?—About a year, I think. I forget the exact date, but it has been going on for a considerable time.

149. Was it prior to the negotiations for the derelict land?—Yes, long before.

150. And you say that there is nothing in this point of your having given £1,000 for Love's interest and £652 for the Government section and immediately mortgaging for £2,400?—No, because the value of the whole was £4,000, and you had to include in that the value of the perpetual lease.