

of the Ministry who would say that he had any knowledge that less than 4 perches was going to be transferred to the city. Then, when the transaction went through they found that, instead of the four or five perches mentioned in this letter being transferred, only forty-seven hundredths of a perch has actually been passed through the Deeds Office. What was the value of this land? For $18\frac{1}{2}$ perches Macdonald, Wilson (Limited) refused to accept £8,000: they refused to accept £421 a perch for this land, which was sold by the Government, without any competition, for £100 a perch. It was a shame. He did not blame the Minister, who was misled by the letter which he received on the matter. Then they were told subsequently that the land was required by the Council for street-widening purposes. He held in his hand a report of an interview the Mayor had with a newspaper reporter on the matter, in which he said "the Council wanted the land from the Government for street-widening purposes"; and yet the same piece of land was put up for public auction the other day, together with the adjoining section, without a square inch being taken off the land acquired from the Crown, and the street-widening had been completed. There were a good many members who knew the situation of the land in Woodward Street, and the improvements that had been effected there; but not one square inch in connection with the improvements had been taken off the land that the Government sold without public competition. Now, under section 117 of the Land Act, apart from the question of the misrepresentation, and apart from the question of the $6\frac{1}{2}$ perches which the Government had no right to sell, the following were the cases in which the Government might sell Crown land without competition: "In cases in which there may be no convenient way of access to any portion of the Crown land"—this land had 39 ft. frontage to Wellington Terrace, and that was a fair frontage; "or in which any portion of Crown lands may be insufficient in area for public sale"—there was clearly a saleable value in this case, for the section, without competition, realised £652; "or in which a portion of Crown land may lie between land already granted and a street or road which forms or should form the way of approach to such granted land, or in any other cases of a like kind"—the Land Board could, with the consent of the Minister, sell. Only in those three instances could the Board sell, and this land did not come within the scope of any one of them. The extraordinary feature about the case was this: The land, so far as the Government was concerned, was supposed to be sold to the Municipal Council, and he asked the Minister who paid for the land? Was it paid for by the municipality, or was it paid for by T. K. Macdonald and Co. (Limited)? He (Mr. Fisher) did not know. He did not know, nor did he understand how it was that this transaction was allowed to go through. It seemed a significant thing to him, in the first place, that an officer of the Crown—the Commissioner of Crown Lands in Wellington—should be the first to approach the Wellington City Council and ask them to buy. They were not adjoining owners, except in the sense that they owned the street, and that did not mean an "adjoining owner" in the sense intended by the Land Act. There were three adjoining owners. Why did the Commissioner of Crown Lands not write offering them the land? Who had asked him to write to the Council? Was the Government so anxious to get rid of the land that they asked him to write to the Council? He (Mr. Fisher) could not find this out up to the present. However, an order was made that the Corporation file should be laid on the Council table. The file had been laid there half-complete, and the really important half was the one that was not there. The only way he had of getting information was by getting the whole of the file, portion of which the Minister had laid on the table that afternoon. Unfortunately, the Minister had not let him know that the matter was coming up that afternoon, and he was unable to find the information during the course of his speech. He said that the proceedings were irregular all through, because on the 24th August the City Solicitor had advised the Council that it could not legally sell the land to Mr. Macdonald. Then, if the Minister would remember, he had received a letter from the Mayor, written in the Mayor's own handwriting—not an official letter in the ordinary way—saying that if the Government would issue the title to this land in the name of T. K. Macdonald, the Wellington City Council would pay for the land out of the public treasury and collect the money afterwards. The Minister would find that letter on the file. The Council had had the advice of the City Solicitor, who had advised that the Council could not legally sell to Macdonald; but he had failed to express an opinion as to whether the Government could sell or not. And rightly so, because that was a matter for the Crown lawyers to advise upon. He did not know whether their advice was taken or not. There was another aspect of this question. It seemed to him that not only had the Ministry been deceived over it, but that the public had been deceived also. On the 11th October, 1907, the Council had entered into an agreement with Mr. Macdonald, and by that agreement it had contracted to build a retaining-wall for the street at Woodward Street at a cost of £200. Of this sum Mr. Macdonald was to contribute £100, and to give the land required for rounding the corner for nothing. Now, it was suggested that Mr. Macdonald's generosity—and it was looked upon as public generosity—had been almost enough to earn immortality for him in connection with this question. But what had happened? There was brought about a variation of the agreement with the Council by which the whole of the retaining-wall was to be built, and honourable members who knew the streets would know that along the street there was a magnificent foundation for a six-story building, which had cost the city about £750, out of which Mr. Macdonald had paid £275 and the city had found the difference. In addition to that, the variation of the agreement did not only include that the city was to build the foundations for a six-story building, but it repeated the stipulation that the city should secure for Mr. Macdonald a title to a section which neither the Government nor the Council could legally issue. That was what it amounted to in plain English. The result was that the representatives of the Council set to work and absolutely hoodwinked the whole of the Ministry in connection with the transaction. In the file of correspondence which the Minister of Lands had handed to him he noticed a point about which he could find no elucidation in the correspondence in the hands of the Council. There was a note by the Minister to the Under-Secretary, saying, "Under what circumstances was this letter sent out by you to the Commissioner