

to in the letter, but in the envelope in which the letter was enclosed was a plan which set out in feet on one side "13 ft.," and on the other "14 ft.," and then the third side of the triangle "21·4 ft." It was marked in red, and in the red there was a point just before the four. It read at first blush as "4 perches," but there was a point before the "4." However, the plan was not referred to in the letter, but it accompanied the envelope, and it had on it the seal of the City Corporation. The section of land was referred to the Valuer-General to ascertain the value, and the reply of the Valuer-General was as follows:—

"Valuation Department, 20th May, 1907.

"IN compliance with your request I append copy of report by Mr. Martin, District Valuer, on pieces of Crown lands in and near the City of Wellington. . . . 'Pt. T.A. 488, Wellington Terrace—0a. 0r. 06·55p., C.V., £652; U.V., £652.' . . .

"G. F. C. CAMPBELL, Valuer-General."

On the 29th May—nine days later—the following letter was sent to him (Hon. Mr. McNab) by Mr. Kensington:—

"The Hon. the Minister of Lands.

"Re *Part of Section 448, City of Wellington.*

"MESSRS. Macdonald, Wilson, and Co., on behalf of the Wellington City Council, have applied to the Government to be allowed to purchase at a reasonable price an area of 6·55 perches, being part of Section 488, fronting Wellington Terrace, and shown on the attached tracing edged green. The object of the request is to enable the Council to acquire a portion of the adjoining Section 487 for the purpose of widening Woodward Street, and if allowed to obtain the 6·55 perches referred to they can exchange it for the area tinted pink on the tracing accompanying Messrs. Macdonald, Wilson, and Co.'s letter of the 2nd instant (below). At the request of Messrs. Macdonald, Wilson, and Co., the Commissioner of Crown Lands was instructed to obtain a valuation of the portion of Section 488 applied for, and he now reports that the Valuer-General advises him that it is assessed at £652. Under the circumstances I have, therefore, to bring the matter before you for decision."

He might say that he had never seen Mr. Macdonald, nor had he seen the Mayor, nor had any one else applied to him in connection with the section. The letter went on,—

"Under the circumstances you will be in order in disposing of the land under section 117 of 'The Land Act, 1892,' as it is Crown land, and the Council are the owners of the adjoining streets, and wish to obtain the area solely for purposes of exchange with the owner of Section 487, so as to enable them to widen Woodward Street.

"WM. C. KENSINGTON, Under-Secretary."

The matter was referred to Cabinet for decision, and on the 30th May the sale was approved, so that, so far, the exchange went on. Then, in the communication dated the 30th May, the authority of the Government had been got to an exchange of the piece of land referred to here for a piece of land in the corner of Woodward Street, to enable the City Corporation to get possession of that land at the corner to effect the widening of Woodward Street and the rearrangement of the levels. Now, on the 5th September, 1907, the following letter came from the Mayor, and it is addressed to myself:—

"The Mayor's Office, Wellington, September 5th, 1907.

"SIR,—The Wellington Council, being anxious to obtain a little land from Mr. T. K. Macdonald for the purpose of improving Woodward Street, asked him to make an arrangement with the Council. He made what were considered advantageous terms to the Council, and they were completed. They involved the Council applying to the Land Department for the grant of a piece of land adjoining, and, if successful, passing it over to Mr. Macdonald at the valuation put on it.

"The Department has valued it at what Councillors think a fairly high price; but, as it is Mr. Macdonald's affair, no question is raised on that point. I, however, find that the Council once acquiring the land cannot sell it again; but I am also advised that we can ask the Crown, in pursuance of the arrangement, to make the grant to Mr. Macdonald direct, we paying you the purchase-money and he paying us.

"The work is one which we hoped to have done last year, as it is somewhat urgent, and will make a great improvement in the entry from Lambton Quay to the Terrace. May I ask you to co-operate with us in carrying out the arrangement? The Department has already agreed to sell to the Council at a sum fixed. All that we ask is that the grant should be made to Mr. Macdonald on the same terms, he having arranged to give us what we want.

"Yours obediently,

"T. W. HISLOP.

"The Hon. the Minister of Lands, Wellington."

Then, after formal acknowledgment of the letter comes the report from the Under-Secretary, as follows:—

"Hon. the Minister of Lands.

"10th September, 1907.

"*Purchase of Land, Woodward Street.*

"REFERRING to the letter which you received from His Worship the Mayor of Wellington, under date the 5th instant, *re* the exchange of land in connection with the improvement of Wood-

ward Street, as Cabinet has already agreed to the proposal and fixed the price to be paid for the small strip of land in question—namely, £652—if the Wellington City Council pay this amount to the Receiver of Land Revenue to the credit of Mr. T. K. Macdonald, then the Government can grant the area direct to Mr. T. K. Macdonald, instead of the more elaborate process of first issuing