

WAIPUKA BLOCK ROAD REVESTING BILL.

THE Lands Committee, to whom was referred the Waipuka Block Road Revesting Bill, has the honour to report that it has carefully considered the same, and recommends that it be allowed to proceed.

16th September, 1908.

THE WHAKATANE FORESHORE RECLAMATION BILL.

THE Lands Committee, to whom was referred the Whakatane Foreshore Reclamation Bill, has the honour to report that it has carefully considered the same, and recommends that it be allowed to proceed as amended by the Local Bills Committee.

16th September, 1908.

PAPER No. 135.

Exchange of Land at Woodward Street and Wellington Terrace—Correspondence, &c., relating to.

THE Lands Committee, to whom was referred Paper No. 135, "Correspondence, Plans, &c., relative to an Exchange of Land at Woodward Street and Wellington Terrace between the Government, the Wellington City Council, and the Company of T. K. Macdonald (Limited)," has the honour to report that your Committee has taken evidence on and exhaustively inquired into the following statements which have been referred to it for investigation:—

First, that the Crown had sold either to Mr. T. K. Macdonald or the Wellington City Council a certain area, to wit, 6.55 perches of derelict land situate on Wellington Terrace, near Woodward Street.

Second, that said sale had been effected without competition and outside the provisions of the statute, whereas it was claimed that said land should have been disposed of by public competition.

Third, that the price obtained for said 6.55 perches was considerably less than its real value.

Fourth, that the strip of land conveyed to the City Council by Mr. Macdonald was only 0.47 of a perch, and not 4 perches as stated by Macdonald, Wilson, and Co. in their letter addressed to the Under-Secretary for Crown Lands, dated 2nd May, 1907.

Fifth, that there was something irregular in the bargain made between the City Council and Mr. Macdonald in regard to the erection of certain concrete walls, to be used by Mr. Macdonald as foundations for the building to be erected by him later on.

Your Committee examined the following witnesses: W. C. Kensington, Under-Secretary for Lands; R. A. Patterson, Chief Accountant, Lands Department; Paul Verschaffelt, Record Clerk, Lands Department; R. Letham, messenger, Lands and Survey Department; F. H. Martin, Government Valuer; E. B. Brown, barrister, Wellington; Hon. T. W. Hislop, Mayor of Wellington; Hon. T. K. Macdonald, M.L.C.; W. H. Morton, City Engineer, Wellington; J. O'Shea, City Solicitor, Wellington; J. R. Palmer, Town Clerk, Wellington; F. T. O'Neill, Chief Clerk, Lands and Survey Department; Hon. R. McNab; F. M. B. Fisher, M.P., Wellington.

Your Committee is satisfied that no one reading Messrs. Macdonald, Wilson, and Co.'s letter of the 2nd May, 1907, can come to any other conclusion than that it was written on behalf of the Wellington City Council.

The Minister of Lands agreed to sell to the Wellington City Council the 6.55 perches under section 117 of "The Land Act, 1892," solely in order to facilitate the carrying-out of an agreement entered into by the City Council with the owner of part Section 487, whereby the grade of Woodward Street could be greatly improved.

The Lands Department adopted the proper and constitutional course of arriving at the value of the said 6.55 perches—viz., by employing the services of the official Valuer of the Valuation Department, who valued the land in question at £652. The evidence of the said Valuer, Mr. Martin, satisfied your Committee that a fair value was placed on the land.

It is a matter for regret that Macdonald, Wilson, and Co. should not have been more careful when stating the area of the strip of land intended to be conveyed to the City Council. Their letter of the 2nd May, 1907, describes this area as being 4 perches, and further on refers to it as being of "about equal size and value as the 6.55 perches," whereas, as a matter of fact, it only consisted of 0.47 of a perch. Mr. Macdonald, when giving evidence on this point, declares that on the 2nd May, 1907, he was firmly of the opinion that he was to concede 4 perches of his own section to the City Council, and that, later on, when he discovered that it was only 0.47 that was required, he gave the latter piece for nothing. Still, this does not exonerate Mr. Macdonald from blame in not making himself acquainted with the real facts of the case before writing to the Under-Secretary for Lands. There is little doubt that this mistake has given rise to much of the public comment on the whole subject.

Your Committee is, however, satisfied by the evidence on this point: that the area of this strip, as stated in said letter of the 2nd May, 1907, was not a determining factor with the Hon. the Minister of Lands in deciding to agree to sell to the City Council the 6.55 perches under section 117 of "The Land Act, 1892."

Your Committee has no opinion to express in regard to the cost of erecting the concrete wall and foundations, that being a matter with which the City Council is solely concerned.

In conclusion, your Committee has to report as follows:—

1. That the Hon. the Minister of Lands was justified by the circumstances of the case in selling to the City Council, under section 117 of "The Land Act, 1892," the 6.55 perches of derelict land.