

Your Committee is satisfied that no one reading Messrs. Macdonald, Wilson, and Co.'s letter of 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 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 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 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.
2. That the Hon. the Minister of Lands only consented to transfer the land direct to Mr. Macdonald on condition that the City Council should pay the sum of £652 to the Receiver of Land Revenue to the credit of the Hon. T. K. Macdonald, and only after being assured that if the said land were conveyed to the City Council that body would be unable to transfer it to Mr. Macdonald, in which case the whole scheme of improvement to Woodward Street might have to be abandoned.
3. That the price obtained by the Crown for said 6.55 perches was a fair and reasonable one.

T. Y. DUNCAN,  
Chairman.

18th September, 1908.

## MINUTES OF PROCEEDINGS.

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WEDNESDAY, 5TH AUGUST, 1908.

The Committee met at 10.30 a.m., pursuant to notice.

*Present:* Hon. Mr. Duncan (Chairman), Mr. Ell, Mr. W. Fraser, Mr. Greenslade, Mr. Hall, Mr. Lang, Mr. Lawry, Hon. Mr. McNab, Mr. Macpherson, Hon. Mr. Mills, Mr. Remington, Mr. Rhodes, Mr. Symes, and Mr. Witty.

The minutes of the previous meeting were read and confirmed.

The order of reference referring Paper No. 135, relating to correspondence, plans, &c., relative an to exchange of land at Woodward Street and Wellington Terrace between the Government, the Wellington City Council, and the company of T. K. Macdonald, was read by the Clerk.

The following gentlemen attended the meeting: F. M. B. Fisher, Esq., M.P., Hon. T. W. Hislop, Hon. T. K. Macdonald, M.L.C.

The following gentlemen attended the meeting and gave evidence on oath, and were questioned by members of the Committee, Hon. T. W. Hislop, and F. M. B. Fisher, Esq., M.P.: W. C. Kensington, Esq., Under-Secretary for Lands; Paul Verschaffelt, Esq., Record Clerk of the Lands Department; Robert Aimers Patterson, Esq., Chief Accountant, Lands Department; Robert Letham, Esq., messenger, Lands and Survey Department; Finlay Nevin Martin, Esq., Government Valuer at Wellington.

The Committee then adjourned until 10 a.m., Thursday, the 6th day of August, 1908.