

On the 31st May I wrote to the Commissioner of Crown Lands, telling him that the Government had agreed to sell to the Wellington City Council the section of 6.55 perches. There is one matter I will just refer to. When the Mayor came in and spoke about the sale of this area he said, "You have got an area of about six perches or so in Wellington Terrace, and we want to exchange it for something similar in area with the owner of the adjoining land. It is not quite so much as that. It is four or five perches odd, as far as I am aware." I said, "There is one point I notice." I had not been quite clear as to the impression of the area to be conveyed by the owner to the City Council in exchange for the area that the Crown was to sell. The Mayor said, "The area you have got is somewhere about six perches?" I said, "Yes." "And," he said, "the area we are thinking to obtain is somewhere about that." I said, "There is very little difference. In any case, it is a matter for the City Council afterwards." I just hark back, because I think I forgot to make that point just now. It is an important point, because afterwards when the letter or memo. came from Macdonald, Wilson, and Co., I pointed out in my memo. to the Minister that the object of the Council was to widen the street, as shown on the attached tracing. The question has since arisen as to the area shown on that tracing. If you look at Macdonald, Wilson, and Co.'s letter you will see that it mentions clearly, "It is necessary that the Council should absorb some four or five perches of the present section at the corner of Woodward Street." That is, four or five perches belonging to the owner who was to be exchanged with. That is what I understood was about the area to be exchanged with the area to be purchased from the Crown. When the letter came in from Macdonald, Wilson, and Co., and I sent it on with my memo., I just glanced at the tracing and looked at the letter. The letter embodied exactly what occurred at the interview between the Mayor, Mr. Macdonald, and myself. I saw the figure 4 there. That is, 4 perches. I did not notice that there was a point—a slight point—in front of it. In fact, you cannot call it a point. The reason I mentioned the tracing to the Minister was to show him the position of the portion to be taken off section 487 to widen Woodward Street. The letter from Macdonald, Wilson, and Co. embodies, to my mind, exactly what we talked about—the area we discussed. It was not until some little time afterwards that I looked at the tracing, and saw that the measurements given there showed a very much less area than the area that was mentioned. The subsequent transactions are all shown in this correspondence. The only other question I think the Committee would like some information upon might be the question as to why the transfer was made out direct to Mr. Kennedy Macdonald. The Mayor came to see me somewhere about the date that he wrote to the Minister. The letter is dated the 5th September. Well, a day or two before or about that date, the Mayor came and saw me, and said that it seemed a useless thing for the Crown to issue the title as to the City Council, and then that the City Council should have to convey to the owner of the area to be exchanged. Then I learned for the first time that Mr. Kennedy Macdonald was the owner. Of course, that did not make any difference as far as the transaction was concerned. He said, "Is there no way by which we could get rid of this red-tape by which you will have to issue a title first to the Council, and then the Council will have to reconvey back to the owner?" I said, "I always object to red-tape if I can get rid of it. I can see no reason, if the Council's cheque is paid over to the Receiver of Land Revenue, that the cheque should not be made payable to the person with whom the land is exchanged, but you must write to the Minister, and I will tell him that I see no objection to the proposal." He did, and his letter is printed here, dated the 5th September. I advised the Minister that I could see no reason why this should not be carried out. From that I heard no more about the matter for a short time, until Mr. Strauchon came to see me two or three times about the transfer, and eventually the Receiver of Land Revenue received a cheque. Whose cheque I did not know at the time. I have heard since. He received a cheque for the money, and the certificate of title was issued under section 117 of "The Land Act, 1892," after the Land Board had approved. The Land Board did approve, and the title was issued to Mr. Kennedy Macdonald, who was the owner.

*The Chairman:* In whose name was the cheque that you received?

*Witness:* That I do not know. You can get it from the Receiver of Land Revenue. On the 13th September I wrote that the City Council should pay this amount to the Receiver of Land Revenue. On the 5th September the Town Clerk writes to the Commissioner of Crown Lands. He says, "Referring to your letter of the 28th June last, with regard to part Section 488, City of Wellington, I am instructed to make an application for the purchase of this land by the Council at the sum stated in your communication, including the Crown-grant fee (£653). The Corporation have in view certain exchanges of land in the vicinity, under an arrangement requiring an area of land at the corner of Woodward Street for the purpose of improving the thoroughfare and the grade thereof. A cheque will be forwarded with the conveyance by the solicitors preparing the transfer." That is the Town Clerk's letter of the 5th September, 1907. I can only say that if you want the evidence, there is Letham, the messenger, Mr. Verschaffelt, Record Clerk, and Mr. Paterson, the Chief Accountant, who can certify to what I have stated with regard to the interview with the Mayor and Mr. Kennedy Macdonald. They can give evidence if the Committee wishes to hear them.

1. *Mr. W. Fraser.*] When did you first know that the land to be exchanged belonged to Mr. Kennedy Macdonald? Was it on the 5th September, when you received the letter referred to here?—That letter of the 5th September is one from the Town Clerk to the Commissioner of Crown Lands. I knew it on that date, the 5th September, after the Mayor came to see me. I think he came on the 4th September, and the letter was written to the Minister on the 5th September.

2. You told us that something occurred on the 29th of a certain month: what month?—April.

3. You told us that you did not know who owned the land to be exchanged?—I did.

4. When did you first know who owned the land?—I knew it on the day that the Mayor came to see me—on the 4th or 5th September.