

owner of the first section at the corner of Woodward Street, and that you were to recommend that the section was to be obtained without competition—the section adjoining that—and that all the City Council had in view was to obtain that piece of land for Mr. Macdonald, would you have sent along the memo. you sent to the Minister?—No, I should not, for one reason—that, Mr. Macdonald being a member of the Legislature, I should prefer the matter should not be dealt with through me. He should have applied himself for it, and we should probably have put it up to auction. But, this being a city matter, I did not take these matters into consideration, because I did not know that Mr. Macdonald was then the owner.

28. Did you consider that Messrs. Macdonald, Wilson, and Co. were writing on behalf of the Corporation?—As I stated, I said before they left the room—the Mayor and Mr. Macdonald—“Will you write?” and the Mayor said, “Mr. Macdonald will write it for us.” I looked upon Mr. Macdonald as acting as their agent.

29. I ask whether, at that interview, in which he recommended that a letter should be written, that you might bring the matter officially before the Lands Department, by Mr. Kennedy Macdonald, was that letter to be on behalf of the Wellington City Council?—I told the Mayor that it would have to be laid before the Minister, and the Mayor turned and said, “Mr. Kennedy Macdonald will write it for us.”

30. All through the negotiations you considered that the Lands Department was dealing with the Wellington City Council as a public body, and not Mr. Macdonald's firm as a private company?—That is so.

31. *Mr. Fisher.*] I was going to ask Mr. Kensington if he still adhered to his statement that the Mayor and Mr. Macdonald called on him on or about the 29th April—if he still adheres to that in view of the fact that the Mayor has publicly stated that he has never seen Mr. Kensington in connection with the matter, and never discussed it with him?—I still adhere to my statement that His Worship the Mayor, accompanied by Mr. Kennedy Macdonald, waited on me on that date. I am not sure of the time of the day that it was, further than that it was about the 29th April.

32. As Mr. Kensington had written to Mr. Strauchon, Commissioner of Crown Lands, on the 29th April, it was not possible to have the information in his possession which he gave to Mr. Strauchon unless he had been interviewed on the subject. What I mean is that on the 29th April he specifically asks the Commissioner of Crown Lands to report on this land to the City Council, but Messrs. Macdonald, Wilson, and Co.'s letter was not written until three days afterwards?—I stated that I wrote that letter to the Commissioner of Crown Lands immediately after the interview with the Mayor and Mr. Macdonald, because they asked me that there should be no delay.

33. Mr. Kensington, I understand that you were not aware until June of this year that there was any discrepancy between the plan forwarded by Messrs. Macdonald, Wilson, and Co. and their letter?—Yes, that is the case—until the Minister drew my attention to it.

34. Mr. Kensington, in his memo. to the Minister, stated that the Minister would be in order in disposing of the land under section 117 of “The Land Act, 1892”: I want to ask under what portion of section 117 this transaction was completed?—The transaction was completed under section 117 of the Land Act. It is for Mr. Fisher to say what part it refers to.

35. I want to put this before the Committee, because the section says, “In cases where there may be no convenient way of access to any portion of the Crown land, or in which any portion of Crown lands may be insufficient in area for public sale, 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 . . . the Board may, with the consent of the Minister, sell such lands”?—You left something out.

36. “Or in any other cases of a like kind”?—You left the important part out before. This is a general case. You left that out—the very point I wanted you to make.

37. Then you should have read the section?—No; it is not my business at all.

38. Has Mr. Kensington noted that Mr. Strauchon, in his memo. to the Under-Secretary of the 9th November, asks under what clause of the Land Act the title to Mr. Macdonald is to be issued?—I answered that it would issue under section 117.

39. What I was going to say was, if it was a usual practice to alienate land under that section, why did Mr. Strauchon ask that question?—He asked that question because there had been an instruction that all these derelict lands, which had only come into our possession recently—that is, since the decision of the Privy Council—should come before Cabinet before being dealt with. I want to make this point: that four years ago, before that decision, had the City Council taken possession of that land for nothing, we should not have interfered with them. I mean that until that decision of the Privy Council we had not possession of these pieces of land, and, after the decision, there was a Cabinet decision that all these pieces of land should be dealt with by Cabinet—and that is the reason.

40. In the same memo. Mr. Strauchon pointed out to the Under-Secretary that the Corporation had not yet deposited any application for the land. Mr. Kensington put a footnote to say that this was a mistake?—Yes, if you look on the 5th September you will find that the Town Clerk did write to the Commissioner of Crown Lands.

41. Is it usual for the Lands Department to alienate land without there being an application made on the form prescribed by the Land Act?—There was an application made. It is not necessary in all cases, as long as the whole matter is put in a written application, that you should fill in a particular form, that the land is disposed of under section 117.

42. Then, why did the Department send the form prescribed by the Act to the City Council for signature?—Because Mr. Strauchon evidently considered it was his duty to get that particular form filled in.