

31. Have you got any experience of Wellington City values?—Well, I have; but I should not give an opinion in this case.

32. You know the position of the corner section in Woodward Street before the improvements were effected?—I knew it from passing the place.

33. You did not go blind?—No.

34. Was the section a very valuable one, as it stood with the old approach?—I hardly like to say anything about the value; but there is no doubt it was a difficult section to deal with: it was so far below the level of the street. It was a valuable section, no doubt.

35. You speak of an advertisement or placard, stating that the foundations had cost £1,000?—I mentioned that fact at the Council one night, and the next morning the notice was taken down off the section.

36. Whose notice was that?—Macdonald, Wilson, and Co.'s.

37. Is Mr. Macdonald a member of the firm?—He was at that time. The name has since changed.

38. And you took that as a *bona fide* statement of the actual cost?—No; but I thought it was a statement sufficiently important to warrant me in going to the Council for information on the point.

39. Have you never known auctioneers and land agents to make statements, for the purpose of inducing a sale, that could not be borne out by the facts?

*The Chairman:* I do not think that is a fair question to put in this inquiry.

40. *Mr. Remington.*] Have you any definite information, as a member of the City Council—the Corporation having, I presume, the receipts for the erection of the retaining-wall, and the improvements effected there—whether they cost £1,000, and Mr. Macdonald did pay the portion?—We never see these documents: we leave that to the City Engineer. That is a technical matter.

41. And the Finance Committee do not know whether the payments have been made?—Not the detailed payments. We do not know how much stone and mortar have been used.

42. *The Chairman.*] You are not very particular in that respect?—If we were we should be sitting there seven days a week.

43. *Mr. Remington.*] Would you not think Mr. Macdonald a philanthropist of the first water if he was going to give 4 or 5 perches of land there in addition to paying £652 for the other?—I would not call him a philanthropist at all.

44. If he had been giving 4 or 5 perches, has it never crossed your mind that it must have been a mistake? Has it never struck you that Mr. Macdonald might have omitted to dot the figures, and make a '4 or '5?—Decimal 4 and decimal 5 would have been ridiculous, because the figures were sustained by the letter and by the expression, "a section about equal in size and value."

45. Then, when you come to the Mayor's letter that you produced on that file, in which there is mention of "the Wellington Council being anxious to obtain a little land"—if you read the Mayor's letter you will see that he uses the expression "a little land"—and that Mr. Macdonald had "made what we considered terms to the Council," were you not in possession of what the actual facts were on that date, the 5th September, and what the arrangement was, and "the little land" that was to be conveyed?—No; no one, so far as I know, was cognisant of the real arrangement made until I first met the Minister in the street, about two months ago. You mean, in reference to the letter of Mr. Macdonald's firm to the Government?

46. Yes?—No; no one, so far as I know, in the Wellington City Council knew anything about that letter until I asked the Minister, about two months ago; and I do not think anything can be found on this correspondence to show that Mr. Macdonald was ever appointed agent for the Council, and there is not a copy of that letter on the Council file. There is no copy of it here.

47. Taking this letter of the 2nd May of Macdonald, Wilson, and Co., do you consider, as a member of the Corporation, that that was a business letter which explained to the Under-Secretary of Crown Lands what was intended to be done?—No, I cannot say that. Because at the time that the letter was written, so far as I know, it was not intended to do anything of that description.

48. Do you mean to say that the Corporation had never entertained the idea of altering the levels of Woodward Street?—Yes, the idea of altering the levels had been entertained for a very long time. The dates of it are here. I think it had been considered before Mr. Hislop was Mayor.

49. "To accomplish this," Messrs. Macdonald, Wilson, and Co.'s letter says, "it is necessary that the Council should absorb some four or five perches of the present section at the corner of Woodward Street"?—Yes.

50. Do you think that Mr. Macdonald put that in with the intention to deceive?—Well, you are asking me to form a judgment on the case, which I do not altogether care about doing. I think the Committee ought to draw its deduction from that.

51. Do you think it was calculated to deceive?—I want to have it that we could only say that it was calculated to mislead, and did mislead.

52. That is your view?—That is my impression of it.

53. See, the letter goes on to say, "This would, however, mean so serious a loss of space as to make the compensation to be paid by them very heavy, and possibly prevent the improvement taking place. This, however, could be avoided if the Council were in the position of being able to transfer to the owner of the corner section a section of somewhat similar size and value—the one recently vested in the Government." You seriously consider that the proposal meant that the 6·55 perches of the section recently vested in the Government—that Macdonald, Wilson, and Co. were offering to take that for four or five perches of their own in Woodward Street?—That the Council was going to secure a title for Mr. Macdonald, which otherwise he could not have secured without public competition.

54. And that was the compensation to him for giving the four or five perches?—That, and the street-widening, and the building of the wall.