

ducted with him. Can you give us any explanation on the matter?—In the first place, the Commissioner of Crown Lands communicated with the registered owner, Mr. Ballan, and then the subsequent correspondence with the Commissioner was through Messrs. Williams and Kettle, agents in Napier. Then subsequent to that the negotiations came from Messrs. Russell and Anthony, who stated in a letter to the Minister that they were acting by the authority of Mr. Ballan. Outside of that we knew of nobody else. If a firm wrote to us stating that they are acting by the authority of the registered owner we accept that. That was borne out later, when the Department received authority from Mr. Ballan, who was the registered owner, to pay the money due for the 1400 acres to Messrs. Bell, Gully, Bell, and Myers, solicitors, Wellington, who were acting apparently on behalf of Messrs. Russell and Anthony in the transaction. The Solicitor-General was acting for the Department, and between him and the firm of Bell, Gully, Bell, and Myers the transaction was completed and the money paid over.

5. Then you actually had the authority of Mr. Ballan?—In December, 1911, we had the authority of Mr. Ballan to pay the money over to Messrs. Bell, Gully, Bell, and Myers.

6. *Mr. Statham.*] Did you know of the sale from Ballan to Russell on the 13th March?—No, I knew nothing whatever about that. The first I knew of that matter was a letter written to the newspapers by a Mr. Keene.

7. So that up to the time of the settlement and the 23rd December, 1911, you thought you were dealing with Ballan alone?—Yes.

8. Was that not before December, 1911?—Yes, in June, I think.

9. Did Mr. Russell come in contact with you personally during all that time?—No, I have never spoken to Mr. Russell in my life.

10. *Mr. Guthrie.*] Did you issue the cheque?—The voucher passed through my hands, but the cheque was issued through the Treasury.

11. Whose name was the cheque made payable to?—The Treasury cheques are not made payable to any one, but to a number.

12. And in whose name was the voucher made out?—"T. Ballan; authorized agents, Bell, Gully, Bell, and Myers, Wellington."

13. *The Chairman.*] Were you cognisant of the negotiations from 1909?—Yes, I was aware of all the negotiations.

14. Were you interested in the financial part of the transaction—in attending to that?—Yes.

15. Did you ever get any information of the transfer of this property from Ballan to anybody else?—The only information I had was from a search I had made at the Deeds Office in Auckland after the Public Accounts Committee had referred to the matter here, and I found out the exact dates, the purchase-money, and other dealings in connection with it.

16. Then, so far as you were concerned, your Department was dealing with Mr. Ballan?—Yes, so far as I was aware.