

1882.  
NEW ZEALAND.

## PUBLIC PETITIONS COMMITTEE.

(REPORT ON PETITION OF J. CATTELL AND OTHERS, TOGETHER WITH MINUTES OF EVIDENCE AND APPENDIX.)

*Report brought up 8th September, 1882, and ordered to be printed.*

### REPORT.

No. 477.—Petition of J. CATTELL and Others, Wellington.

THE petitioners state they are purchasers of reclaimed land, sold by order of the Government in Wellington in 1879; that the auctioneer, after consultation with the Colonial Secretary, who was present, stated the Government would make, metal, and complete the public streets abutting upon the said land; that, relying upon this statement, they purchased several allotments, and that the roads still remain unmetalled and not completed. They pray for relief.

I am directed to report: Having taken the evidence of Sir G. Whitmore, who was at the time of the land sale Colonial Secretary, and also the evidence of other gentlemen, who were present at the sale, the Committee are of opinion that the Government has carried out in a liberal manner what appears to have been authorized with reference to the formation of the streets on the reclaimed land.

8th September, 1882.

### MINUTES OF EVIDENCE.

TUESDAY, 5TH SEPTEMBER, 1882.—(Mr. KELLY, Chairman.)

Dr. NEWMAN examined.

1. *The Chairman.*] Do you know anything of the facts of this case?—Yes; I was one of the purchasers at the sale. I was present, and the question was raised whether the Government would make the streets, as the land was not within the borough limits. That question was asked of the auctioneer while Colonel Whitmore, the Colonial Secretary, was standing by; and Colonel Whitmore told the auctioneer to state that the streets would be made thoroughly, and not in the half-and-half wretched manner in which the late Provincial Government would have made them. If that statement had not been made by the auctioneer we certainly should not have paid as much as we did for the land. The Government have not carried out their agreement, and now the Corporation says to us that we shall either make the streets or get them made. We bought the land three and a half years ago, and we have paid a large sum of money to the Government. We are now called upon to pay another large sum in order to get the streets properly made.

2. Do you hold the land now?—Yes.

3. Does the Corporation levy rates on this land?—Yes; but it will not make the streets. The Colonial Secretary allowed his auctioneer to make the statement that the streets would be made without any contradiction.

4. In the case of private persons selling land the Corporation refuses to take over any streets that are made until they are completed?—They refuse to take over the streets until they are completed, but in the meantime they take the rates. In this case it was expected that the Government would make the streets in such a way that the Corporation would take them over. At the sale Mr. Duncan said he had the full consent of the Colonial Secretary to make the statement that he did make.

5. Does Colonel Whitmore now deny that he authorized the auctioneer to make that statement?—He raises a quibble, I believe, about having agreed to form the streets only, and not to make them.

6. Do you know whether the Corporation has made any estimate of the cost of completing the streets?—Yes; the Corporation Engineer made an estimate at the instance of the Government.

7. *Mr. Swanson.*] How much did the Corporation get for this land before you bought it?—Nothing.

8. Who paid the rates upon the land before you bought it?—Nobody; because there were no rates to pay.

9. No rates having been levied previously, why do they plead for the payment of rates now?—They do not ask for rates at all. We have been paying rates to the Corporation, which, however, refuses to take over the streets. The Corporation is prepared to take over the streets directly they are made.

10. What are they doing now for the rates they get?—The money goes to the general revenue of the borough.

11. Then they take the rates and do nothing for the money?—Yes. If the Government had made the streets soon after the sale they would have been kept in repair and properly lighted.

12. *Mr. W. C. Buchanan.*] Is this land a distinct ward of the city?—No; it forms portions of other wards.

13. And do you think that, if the Government and the owners refuse to make the streets, the Corporation will still continue to levy the rates for the benefit of other portions of the city without doing anything for those who purchased the land?—Yes.

14. *Mr. Levestam.*] Have the Corporation any legal power to rate you at all?—I do not know. That is a point which we have not fought out with them.

15. How much have you been paying in the pound as rates?—About two shillings and sixpence.

16. *Mr. M. W. Green.*] Do you wish the Committee to understand that if the Government had not promised to make these streets, you would have been bound to make them in accordance with the municipal law?—Yes.

17. And that, in order to avoid that liability, the Government were asked whether they would make them, and they replied that they would?—Yes.

18. Then you simply ask that you may have what you paid for?—Yes.

MR. W. H. LEVIN, M.H.R., examined.

19. *The Chairman.*] You presented this petition. Have you any personal knowledge of the matter to which it refers?—Yes; but I wish to explain that I was not a bidder, nor an intending buyer, at the sale, nor had I anything to do with the land which was sold. However, I was present at the sale, and the statement which is made in the petition to the effect that Mr. Duncan was the auctioneer, and that Colonel Whitmore, who was then Colonial Secretary, stood by his side, is perfectly correct. I presume that he stood there in his official capacity. After the auctioneer had concluded his address to the public who were present one, if not more, persons asked him whether the Government intended to make the streets running through the land they were about to sell, and the auctioneer thereupon conferred with Colonel Whitmore. After that he got into his rostrum, and said he had much satisfaction in telling them that he had been authorized to state that the Government would complete the streets on the land about to be sold, and he added that he was glad to be able to tell them this, because he knew that, if the General Government undertook to do the work, it would not be done in the way in which the late Provincial Government would have done it, but in the most complete manner. This statement was received with cheers by those present, and the sale proceeded. I am satisfied that the promise of the auctioneer meant that the streets would be made in the most complete manner, and the fact of the Colonial Secretary being present, and making no objection to the statements which he heard the auctioneer make, caused the sale to be a greater success than it would otherwise have been. After consulting the Colonial Secretary the auctioneer dilated largely upon the advantages the public would have in buying under such terms and conditions. The conditions of sale had nothing to do with the making of the streets.

20. Were you of opinion at the time that the Government undertook to metal and make the streets?—Most certainly.

21. Was that fact put on record in any way by Mr. Duncan? Was it published in the local newspapers?—There was a paragraph in a local newspaper corroborating what I state.

22. *Mr. Levestam.*] What was the nature of your question and of the answer which you received?—In asking the question I read a statement from the auctioneer, and the Hon. the Minister for Public Works said the statement of the auctioneer threw a new light on the matter, and he added that he would make inquiries into the matter and let me know the result, but he has not done so.

23. *Mr. W. C. Buchanan.*] If the land had been sold by a private person and this promise that you allege was broken, had been made and not kept, would you have proceeded against him?—If the seller had been a private person I should not have paid him the balance of the purchase-money until every promise made at the sale had been carried out.

Mr. CHARLES WHITE examined.

24. *The Chairman.*] Have you any personal knowledge of this alleged promise made by the auctioneer on behalf of the Government with regard to the making of the streets?—I was at the sale, and I know that it was delayed by Mr. Duncan pending the attendance of Sir George Grey or some other Minister. I asked the auctioneer if the footpaths would be made and kerbed and channelled, and he said he would not give an answer until Sir George Grey arrived. Sir George Grey did not come, but Colonel Whitmore did, and Mr. Duncan then put the question to him, and Colonel Whitmore said distinctly, in my hearing, that the roads would be made thoroughly, and not in the half-and-half wretched way in which the late Provincial Government would have made them.

25. And the auctioneer repeated this?—Yes, and he appealed to the public to give him more money for the land on that account.

26. *Mr. W. C. Buchanan.*] In putting your question did you include the making of the footpath, and the kerbing, channelling, and formation of the streets?—Yes.

27. You contend that the Government have not done what they should have done in this matter?—Yes.

Mr. J. D. BAIRD examined.

27A. *The Chairman*] You are the City Surveyor of Wellington?—I am.

28. Were you present at the sale of the reclaimed land?—I was, and I was a purchaser.

29. It is stated in the petition which is now before the Committee that a promise was made by the auctioneer on behalf of the Government to the effect that the streets on the reclaimed land should be made and metalled, and that the footpaths should be properly made?—Yes; that is the fact. In January, before the sale, I had charge of the reclamation contract, and the Government asked me to complete plans for the formation of the streets.

30. What was your estimate of the cost of making the streets?—£48 per chain without the channelling.

31. What was the nature of the promise made at the sale?—I think Mr. White asked the auctioneer whether the streets would be formed and metalled, and Mr. Duncan (the auctioneer) got down from his rostrum and had a conversation with Colonel Whitmore. A few minutes afterwards he stated that Colonel Whitmore had promised, on behalf of the Government, to have the streets formed thoroughly, and not in the wretched half-and-half way that the Provincial Government would have done the work. As I have said, I had previously received instructions from the Government to prepare specifications for the proper forming and metalling of the streets and footpaths.

32. How many chains were there in the streets?—I cannot say at present, but I will furnish the information.

33. Will you also send in a statement of the amount of rates which has been collected on this property?—I will. The Government hold four-fifths of the frontage to these streets, and they pay no rates at all. They received upwards of £80,000 for the land; and after reserving for themselves forty-six acres, all the cost of the reclamation was £60,511.

34. *Mr. W. White.*] How did you arrive at the amount of £48 per chain for forming and metalling?—That was the estimate I prepared and sent to the Government.

35. *Mr. W. C. Buchanan.*] Did you understand from the Government's promise, made through the auctioneer, that all the necessary footpaths, and channelling, kerbing, and metalling was to be done?—Yes; and not only from the auctioneer's statement, but also from the instructions I had got from the Government to prepare the specifications.

Mr. R. J. DUNCAN examined.

36. *The Chairman.*] You acted as auctioneer at this sale?—Yes.

37. There is a petition before the Committee in which it is stated that you, authorized by the Colonial Secretary, promised that the roads on the reclaimed land would be made, metalled, and formed by the Government. Did you receive instructions to make any such statement?—I may say that at this sale there was an unusually large attendance, and I had to wait until one of the Ministers came down to attend the sale. Sir George Grey was to have been present, but he did not come. However, the Colonial Secretary, Colonel Whitmore, was there, and as I was about to commence the sale I was requested by several of the audience to state whether the streets would be made by the Government. I then put the question to the Colonial Secretary, and he informed me that I might state that the streets would be made. I then said the streets would be thoroughly made, and not in the wretched way in which they would have been made by the Provincial Government.

38. Did you place this on record in your report to the Government?—No; I gave the Government the account sales, and nothing further was necessary.

39. Is it not usual for the auctioneer to get from the Government information as to what he has to do, and to report what he has done afterwards?—I have never been asked to make such a report.

40. You made a promise on behalf of the Government without making any record of it?—Yes; it was not considered necessary to make any record of it. There were several Under-Secretaries present at the sale. Messrs. Seed, Elliot, and Batkin were present.

41. Did they hear you make this statement?—I cannot say; but I have no doubt that everyone heard what I said.

42. *Mr. Swanson.*] Did Colonel Whitmore tell you to say that the streets would be made in a better style than they would have been made by the Provincial Government?—He heard the question which was asked, and told me to reply that the Government would make the streets.

43. And if anybody comes here and tells us that he heard Colonel Whitmore say that the work would not be done in a half-and-half way, are we to believe him?—Colonel Whitmore told me that the streets would be made.

44. Did he promise that the streets would be thoroughly "made," or thoroughly "formed"?—I cannot recollect the exact words; but I took care to impress upon the buyers that they would gain by the promise which had been made.

45. *Mr. W. C. Buchanan.*] Did you try to convey to the people who were present that the footpaths, kerbing, channelling, forming, and making should be done?—What I wished to convey was that the streets would be thoroughly finished in a first-class manner. That statement must have brought in thousands of pounds to the Government more than they would have got for the land.

THURSDAY, 7TH SEPTEMBER, 1882.

Hon. Sir G. S. WHITMORE examined.

46. *The Chairman.*] You are acquainted with the prayers of this petition?—Yes. The point is about the metalling of the streets. I was asked by the auctioneer to attend the sale, as he said it would perhaps improve it, and as Mr. Macandrew was away I went. Just before the sale began the auctioneer leaned down to me and asked if the Government would guarantee to form the streets. I asked why Government should do so, and he said in all probability it would add two or three pounds to the price, upon which I said, "You may announce that the Government will form the streets." Upon this there was a babel of voices asking me, "What does forming mean? Will you put down metal; will you make the

foot-paths; will you put boards to them?" and so on, to all of which I answered never a word. The auctioneer looked at me several times to see if I would reply, but I gave none; and then, as the people were getting impatient, the auctioneer started up to begin, and said, "You may leave it to the generosity of the Government. It is the General Government, mind, and not the Provincial Government, and they will deal liberally with you." I came away and made a note of what I had said, which I intended to mean forming in the usual way, as I had not stopped the auctioneer in saying that the Government would put a liberal construction on the terms. When Mr. Macandrew came back, I said I thought the people should be dealt with liberally, and he said he would metal the streets, and make the footpaths, and put boards, which was quite outside of anything I had promised. Since then I understand from the Public Works Department that the auctioneer's memory is to the effect that I undertook to form and make the streets; and in giving evidence before a Committee of the Legislative Council, another gentleman who was present has said that he understood the streets were to be formed and made; that the streets were to be completely gravelled, the paths paved, the ditches channelled, and other things.

47. *Mr. Swanson.*] Drained and all?—The drains had been made. That this could not be at all what I undertook is obvious from two circumstances: one is, that if I had intended to do all this it would not have been necessary to cross-examine me for ten minutes upon what I had said; nor if I had said that, would it have been necessary for the auctioneer to say the Government would put a liberal construction on my promise, because if I had promised all that had been asked, what liberality could there be in carrying out the promise? That therefore strengthens my impression as to what took place. Then, last of all, these channels and paving that we see now were at that time on their trial in Wellington. There were a few hundred feet of channelling done, and a little bit of paving below Government House, but paving all round the town had never been heard of at that time. Consequently I think the circumstances corroborate my view. But in no circumstances should I ever have thought of going back at all from what I had undertaken, and I should not say what I now state if was not corroborated by my memorandum at the time and my statement to Mr. Macandrew when the matter was fresh in my recollection, and which was never challenged until the other day when the municipality refused to take over the streets until they were formed. It will be found that I have never varied from the account I now give. On the other hand, in the great noise and racket the people were making when the questions were being asked of me, I do not mean to say that any person there might not have formed a different impression to mine.

48. You meant simply to form the streets?—Yes.

49. And what would then be considered a finished street would not be so considered now?—No.

50. *Mr. Allwright.*] Do you consider the Government have done all you promised?—Quite. It appears that before the sale the Government had got an estimate of what the cost of making the streets would be, and probably if I had known that then I should have made no promise at all, because it was then quite evident that Mr. Macandrew after seeing the estimate had purposely left this out of the conditions of sale, probably not considering it worth while for the Government to do it. Probably in making that promise I went outside of what I should have done had I had an opportunity of communicating with him, but of course the circumstances arose suddenly, and there was no time for consideration.

51. *Mr. Swanson.*] And do you think a liberal interpretation has been put by the Government on what you did promise?—I think so.

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## APPENDIX.

SIR,—

General Crown Lands Office, Wellington, 11th December, 1878.

I have the honour to acknowledge receipt of your letter of the 15th ultimo, addressed to the Hon. the Minister of Lands, offering to dispose of the Wellington reclaimed land at a commission of  $1\frac{3}{4}$  per cent., and to inform you in reply that the Government have decided to proceed with the sale of such portions of the reclaimed land as are enumerated in the inclosed schedule, in pursuance of section 21 of "The Financial Arrangements Act, 1878," and to intrust the sale to you.

It must be distinctly understood that so soon as a sufficient number of sections have been disposed of to realize the sum of £120,000 no further lots will be offered, and you are requested to be particular in announcing this at the time of sale.

A higher rate of commission than 1 per cent. cannot, however, be allowed upon the gross proceeds of the sale, which amount is to cover all charges and expenses excepting those actually incurred in advertising; and the Government will be obliged by your immediately issuing a preliminary advertisement announcing the sale to take place at Wellington upon such day as you may consider most convenient during the month of February next. Meanwhile the proposed terms and conditions of sale, and any suggestions which you may desire to offer, should at once be submitted for the consideration of the Government.

I have, &amp;c.,

J. BALLANCE,

(For the Minister of Lands).

R. J. Duncan, Esq., Auctioneer, Wellington.

*Conditions.*

1. The highest bidder shall be the purchaser; and if any dispute shall arise concerning a bidding, the section in dispute shall be put up again at a former bidding and resold.

2. The auctioneer shall fix the advance to be made on each bidding previous to commencing the sale. No person shall retract his bidding, and the vendor reserves the right of bidding.

3. The purchaser of each section shall, immediately on the fall of the hammer, pay a deposit of £15 per cent. of the amount of the purchase-money for the section or sections purchased by him or her in part payment of the purchase-money, and shall sign an agreement to make and accept bills of exchange for the remainder upon the terms hereinafter mentioned, and otherwise complete the purchase in the form set forth at the foot hereof.

4. The balance of the purchase money shall be divided into equal sums, and be payable by bills of exchange, to be drawn by the auctioneer as the agent of the vendor, which bills shall bear date on the day of sale, and shall be accepted by the purchaser, and be payable to the order of the drawer, at six, nine, and twelve months after the dates thereof respectively.

Each purchaser shall accept such bills within ten days after the sale, or his deposit will be forfeited; and shall bear the expense of all duty stamps on the bills.

5. The vendor shall not be required to disclose any title beyond the production of "The Financial Arrangements Act, 1878," and the vendor's direction to sell, which will be exhibited at the time of sale, and shall be deemed to be conclusive.

6. On compliance with these conditions, and on payment of all the bills of exchange to be given thereunder, each purchaser will be entitled to have a conveyance of the section or sections purchased, and such conveyance shall be executed by the Governor in the name and on behalf of Her Majesty, under the Public Seal of the Colony.

No purchaser shall be concerned to see to the application of the purchase-money realized at this sale, or any part thereof; and, if he so desire, his conveyance may contain a declaration to that effect.

7. The conveyances shall be prepared by and at the expense of the respective purchasers, and the draft conveyances shall be left at the office of the Under-Secretary for Crown Lands, in Wellington, for approval, on behalf of the vendor.

8. Within fourteen days after such approval the engrossment of such conveyances shall be left by the respective purchasers at the office aforesaid for execution by the vendor.

9. No covenants for title shall be contained or implied in any conveyance as against Her Majesty the Queen or the Governor of the colony, and every such conveyance will contain the usual declaration to that effect.

10. The measurements and contents of the sections to be sold are believed to be accurately set forth upon the sale plan exhibited at the sale; but, in case it should appear that there is any error or discrepancy therein, the same shall not annul or vitiate the sale, or entitle any purchaser to any abatement of the purchase-money, beyond an allowance at the rate per foot at which the land was sold for each foot which may be short of the supposed quantity.

11. Each purchaser will be entitled to possession of the section or sections purchased upon accepting the bills of exchange required to be accepted by these conditions, or within one calendar month thereafter, at the option of the vendor.

12. If any purchaser shall fail to comply with these conditions, or shall make default in due payment of any one of the bills of exchange to be given in accordance therewith, his or her deposit money shall be forfeited to the vendor, who shall be at liberty in any such case forthwith to proceed to another sale by public auction either with or without notice to the purchaser at the present sale; and the deficiency, if any, occasioned by such second sale, together with all charges attending the same, shall, immediately after such sale, be made good by the defaulter at this present sale; and, in case of nonpayment of the same, the whole shall be recoverable by the vendor as and for liquidated damages, and it shall not be necessary for the vendor previously to tender a conveyance.

13. Throughout these conditions the term "vendor" shall be deemed to mean the Governor, acting on behalf of Her Majesty the Queen, and shall also include any Minister of the Crown acting by the authority of the Governor.

STATEMENT of Particulars of all Sales of Reclaimed Land, Wellington, sold at auction by Mr. R. J. Duncan, on 4th February, 1879.

Name and Address of Purchasers.	Land Purchased.				Total amount of Purchase Money.			
	Section.	Block.	Frontage.		Rate.	Purchase Money.		
			ft.	in.		£	£	s.
Kirkcaldie and Stains, Wellington ...	4	VI.	54	3	63	3,420	18	0
Kirkcaldie and Stains, Wellington ...	5	VI.	77	7	45	3,496	10	0
Kirkcaldie and Stains, Wellington ...	8	VI.	59	3	58	3,439	8	0
Kirkcaldie and Stains, Wellington ...	11	VI.	68	6	48	3,292	16	0
Kirkcaldie and Stains, Wellington ...	3	II.	57	9	66	3,821	8	0
John Johnston, Wellington ...	6	VI.	82	1	42	3,448	4	0
John Johnston, Wellington ...	2 and 3	VI.	138	6	40	5,544	0	0
J. M. Cleland, Wellington ...	7	VI.	59	5	48	2,856	0	0
M. S. Grace, Wellington ...	10	VI.	58	9	56	3,298	8	0
E. W. Mills, Wellington ...	1	I.	49	9	43	2,145	14	0
E. W. Mills, Wellington ...	2	I.	49	9	53	2,644	14	0
E. W. Mills, Wellington ...	3	I.	49	8	55	2,739	0	0
E. W. Mills, Wellington ...	4	I.	49	8	61	3,037	16	0
Zohrab, Newman, and Co., Wellington ...	2	II.	57	9	46	2,663	8	0
Zohrab, Newman, and Co., Wellington ...	4	II.	49	5	61	3,019	10	0
James Prendergast, Wellington ...	1	IV.	48	4	42	2,032	16	0
James Prendergast, Wellington ...	1	III.	70	9	46	3,261	8	0
Wellington Land and Building Company ...	2	IV.	45	9	50	2,295	0	0
Robert Port, Wellington ...	3	IV.	48	6	50	2,430	0	0
Waddell, McLeod, and Weir, Wellington ...	4	IV.	85	8	35	3,003	0	0
W. L. Hirst, Kaiwarra ...	2	III.	18	7	154	2,879	16	0
J. D. Baird, Wellington ...	7	III.	49	5	40	1,980	0	0
J. D. Baird, Wellington ...	6	III.	49	5	40	1,980	0	0
George Harper, Nelson ...	11	III.	42	1	55	2,315	10	0
George Harper, Nelson ...	11	V.	77	1	40	3,034	0	0
Joseph Saunders, Wellington ...	8	III.	41	9	50	2,095	0	0
Lord and Rutherford, Wellington ...	10	III.	41	9	41	1,717	18	0
Lord and Rutherford, Wellington ...	9	III.	41	9	42	1,759	16	0
Thompson, Shannon, and Co., Wellington ...	2	V.	49	5	40	1,980	0	0
Andrew Young, Wellington ...	3	V.	49	5	31	1,534	10	0
Cattell and Diamond, Wellington ...	7	V.	49	5	44	2,178	0	0
S. Danks and Son, Wellington ...	6	V.	13	9	56	778	8	0
Total ...	...	...	...	...	...	86,135	0	0

SIR,—

Town Clerk's Office, Wellington, 5th April, 1879.

I have the honour, by the direction of the City Council, to draw your attention to the instructions which have been issued by the Public Works Department with regard to the formation, &c., of the streets in the reclaimed land adjoining the Government Buildings, from which it appears that it is only intended to metal the centre of the road without doing anything further, though it was most distinctly promised, both by yourself and the auctioneer at the time of the sale of the said land, that the footpaths also should be formed and kerbed.

Trusting that you will be good enough to give the necessary instructions for giving effect to your promise as aforesaid.

I have, &c.,

CHARLES C. GRAHAM,

Town Clerk.

The Hon. the Colonial Secretary, Wellington.

SIR,—

Colonial Secretary's Office, Wellington, 8th April, 1879.

I have the honour to acknowledge the receipt of your letter of the 5th instant, and, in reply, am directed by the Colonial Secretary to remark that the exceedingly prompt fulfilment of the promise of the Government in commencing the formation of the streets on the reclaimed land would appear to be ample proof of their intention to carry out all that was undertaken.

I have, &c.,

HUGH POLLEN,  
(For the Under Secretary.)

The Town Clerk, Wellington.

SIR,—

8th June, 1881.

I have the honour, by direction, to bring under your notice the present state of the various streets on the Thorndon Reclamation, and the necessity of having them put in a state of repair before

the wet weather fairly sets in ; as, even with the small amount of rain already fallen, they are fast becoming impassable. I am also directed to call your attention to the necessity for additional lighting in front of the Railway-station, as the approaches to it are absolutely dangerous on a dark night.

The Corporation will in no case undertake the maintenance of a responsibility for any street which has not previously been formed, kerbed, metalled, and channelled to the satisfaction of the City Surveyor.

I have, &c.,

CHARLES C. GRAHAM,  
Town Clerk.

The Hon. the Minister for Public Works, Wellington.

SIR,—

Public Works Office, Wellington, 27th July, 1881.

With reference to your letter of the 8th June (acknowledged on the 10th of the same month), I am directed by the Acting-Minister for Public Works to inform you that the street entrance to the Railway-station on the reclaimed land has been lighted ; but that whatever further lighting is required, *i.e.*, of the street itself, the Minister considers a matter for the attention of the Corporation. As regards the metalling of the streets, I am to send to you the enclosed tracing, showing the streets that have been metalled at the cost of the Government ; and, looking to the provisions of "The Wellington City Boundaries Act, 1878," the Minister is of opinion that the Government has done all that it can reasonably be considered as called upon to do.

I have, &c.,

JOHN KNOWLES,  
Under-Secretary Public Works.

His Worship the Mayor of Wellington.

SIR,—

Town Clerks Office, Wellington, 15th August, 1881.

I have the honour, by direction of the City Council of Wellington, to acknowledge receipt of yours of 27th July (P.W. 81/1901, 2960), informing the Council that Government do not intend doing anything further in the way of lighting and metalling the streets on the reclaimed land.

I am directed to point out to you that, by the terms of clause 23 of "The Municipal Corporations Act Amendment Act, 1878," the streets in question are strictly private streets, which the City Council have decided on can only be taken over by them on their being formed, kerbed, channelled, and metalled to the satisfaction of the City Surveyor, which has certainly not been the case with the streets in question.

I am further directed to point out that, when a contract was let by the Government for the metalling of those streets, a considerable sum of money was kept back on account of the non-fulfilment of the contract, which money would go far towards making good the streets ; and, as proof of the foregoing, the very trenches which were opened up across the streets to expose the shortcomings of the contractor have never been filled in to this day, but are now lying open, and a source of danger to the unwary.

The Council would further remind the Government that, when the land in question was sold by auction, the then Minister for Public Works guaranteed that the streets would be properly formed and metalled.

I have, &c.,

CHARLES C. GRAHAM,  
Town Clerk.

The Hon. the Minister for Public Works, Wellington.

SIR,—

Public Works Office, Wellington, 26th September, 1881.

With reference to your letter of the 15th August (acknowledged on the 19th of same month), I am now directed by the Acting-Minister for Public Works to inform you that the Government have again fully considered the question of their responsibility relative to the streets on the reclaimed land, and are advised that the contention of the Corporation that the streets are private ones cannot be maintained, inasmuch as the 23rd section of "The Municipal Corporations Act, 1878," defines a private street as "any highway hereafter to be laid out on private property."

The reclaimed land formed part of a grant to the Superintendent of the Province of Wellington for the public uses of the said province, and subsequently became vested in the Crown. A portion of this land was authorized to be sold by the Financial Arrangements Act of 1878, and the proceeds were paid into the Public Account.

As it appears, however, that a sum of £343 15s. remains unexpended out of the fund provided for metalling the streets, I am to express the willingness of the Government either to spend the same in additional metalling, or to hand it over to the Corporation for this purpose on the understanding that it will be received in full discharge of all claims against the Government.

I have, &c.,

JOHN KNOWLES,  
Under-Secretary for Public Works.

His Worship the Mayor, Wellington.

SIR GEORGE,—

25th July, 1882.

I have the honour to enclose copy of a letter from Mr. R. J. Duncan, who acted as auctioneer to the Government when a portion of the reclaimed land in Wellington was sold in 1879, in which he narrates a promise publicly made, as he states, by your authority, relative to the formation of the streets fronting the sections then about to be sold. I shall be much obliged if you will be good enough to favour me with your recollection of what took place on that occasion.

I have, &c.,

WALTER JOHNSTON.

Hon. Sir G. S. Whitmore.

SIR,—

Wellington, 22nd May, 1882.

In answer to your letter of the 20th instant with reference to what took place at the sale of the reclaimed land on behalf of the General Government by me in 1879, I may state that I retain a very clear recollection of the circumstances connected therewith. Before I offered any of the lots the question was discussed, and I was asked by several persons in the auction room whether the streets would be made by the Government. The Hon. Colonel Whitmore, Colonial Secretary, being then present, I at once referred the matter to him, and requested him to inform me what I should say in reply. After a minute or twos' consideration he told me I could state that the Government would undertake to form and make the streets. I stated this to the audience in the very words just written, and added that buyers might rest assured the work would be done thoroughly as the General Government, unlike the Provincial Governments, were not in the habit of doing things by halves; that intending buyers might accept my assurance as official, as the Colonial Secretary had just instructed me to make the statement I had. I am positive having made use of the above words in the presence of the Hon. Colonel Whitmore, and who, I understand, gave his assent thereto. Much satisfaction was expressed at the announcement, and I entertain no doubt that the statement and promise then made had a most important influence on the bidding. I am clearly of opinion that this matter does morally, if not legally, form a portion of the contract entered into by the vendors with the buyers at the sale. If ever required I am prepared to confirm what I now write to the Government, or in any other way purchasers at the sale may ask me to do.

J. D. Baird, Wellington.

I have, &amp;c.,

R. J. DUNCAN.

SIR,—

Legislative Council, 27th July, 1882.

In reply to your letter of the 25th instant, covering an enclosure signed by Mr. R. J. Duncan, and asking me to state what is my recollection of what occurred at the sale of the reclaimed land sections with reference to the street formation, Mr. Duncan's account is in the main correct, but he has added one word to what I said—viz., "make" the streets. A question was asked me at the last moment, just as the first lots were being put up, whether the Government would form the streets. I am positive of the words used, because on my return to my office I put them down, and have very often since been referred to on the subject. The auctioneer having put the question urged me strongly to give the assurance, on the ground that it would add several pounds per foot to the price. I answered carefully, "Yes, the Government will form the streets." Several further questions were asked by persons standing round, apparently to induce me to promise more than I intended, but I gave no further reply beyond repeating that the streets would be formed. Mr. Duncan, however, said that "the Colonial Secretary has undertaken to form the streets, and we may be sure the Government will do so liberally." This was in reply especially to an inquiry whether any metal would be put down.

To my mind the promise I made has been very amply redeemed, inasmuch as I am sure nobody felt that the Government was bound to do more than form the streets and paths, and that the metal, and gravel, and footpath boards, and anything else done has been in excess of undertaking.

Hon. W. W. Johnston.

I have, &amp;c.,

G. S. WHITMORE.