

and I do not think Mr. Kelly's principal informer has ever been on the property; but I understand he (Kelly) saw part of it from a distant hill.

3. *Hon. Mr. J. McKenzie.*] Had you any interest in the purchase of the Ward Estate from the Colonial Bank? The evidence of Mr. J. W. Kelly says: "We had to take the fact that Mr. Batger was the gentleman who offered to purchase debts due by the member for Awarua to the Colonial Bank. A short time after this offer the estate was purchased by the Land Purchase Board. Now, I left it at that; and I clearly said also that, while it was quite probable that no evidence could be found to establish the connecting link between the two things, we probably in the near future would see the revelations." As far as I can see, Mr. Kelly has not made a direct charge, but he has made an insinuation?—As far as the financing of the estate from the Colonial Bank, I had nothing whatever to do with it, nor do I know who the principals were who were financing it.

4. You yourself have not assisted in the purchase of the Ward Estate from the Colonial Bank?—No, not at all; nor was my partner at all concerned in it either.

5. *Hon. Mr. Rolleston.*] I am not quite clear what the imputation is. What had Mr. Ward to do with the property? (To Mr. Ward): You never had anything to do with it yourself?

*Mr. Ward:* No, I had nothing whatever to do with the Otahu Estate.

*The Chairman* (to Mr. Rolleston): I understand, from the indirect charges made by Mr. Kelly on several occasions, he insinuated that owing to Mr. Batger having in a friendly way come forward to assist Mr. Ward and made an offer for his general estate, then Mr. Ward, as a sort of recognition of it, used his influence to purchase that estate.

*Mr. Batger:* That was no doubt the impression that was meant to be made, but there was no foundation whatever for it.

*The Chairman:* There is no doubt Mr. Kelly's remarks were meant to convey the impression that, as a reward, as it were, for Mr. Batger's efforts to assist Mr. Ward in his difficulties, Mr. Ward used his influence to assist Mr. Batger with regard to the purchase of the estate.

6. *Mr. Ward.*] Publicly Mr. Kelly made these statements, but said the estate was purchased by the Government in consequence of my relationship to Mr. Batger's partner; and also that the head of the Land Purchase Board was not fit for his position—that was what his statement conveyed. He said that publicly, and he said it was an act of corruption on the part of the Government or the Board—that was the insinuation at all events. (To witness): Was the firm of Henderson and Batger interested in the proceeds of the sale of the Otahu Estate in any way whatever?—No.

7. Was there any understanding, implied or otherwise, in connection with your acting on behalf of a syndicate for the purchase of the Ward Estate, that any consideration was to be extended to you?—No; none whatever.

8. Was there any understanding, implied or otherwise, between you and myself, or between you and any person or institution of any sort, that advantages or consideration of any sort would be extended to you for your services?—No; none whatever.

9. You have stated that no influence was sought to be exercised by me?—None.

10. *The Chairman* (to witness).] I think you stated in your evidence that in the sale of this Estate of Otahu all the negotiations were carried on by Messrs. McNab and Watson?—That is so.

11. Then, we are to understand that the whole of the negotiations in connection with this estate were carried on by these parties?—Yes, with the exception of my interview with Mr. McKerrow when on his visit of inspection. There was a question of a water-wheel, which was attributed to a piece of sharp practice. I should like to say there was a misunderstanding about the water-wheel. It was sold by my partner, Mr. Menzies, privately, under a misapprehension, and the proceeds of the sale, which were more than the value of the wheel, handed to the department.

The examination of the witness then closed.

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