(354)

LEGISLATIVE ASSEMBLY
- NEW SOUTH WALES -
20 FEB. 95
95/50.

1894-5.

Session

Legislative Assembly

New South Wales

Report from the Select Committee

on

Resumption of Land Woolloomooloo Bay;

together with the

Proceedings of the Committee

Minutes of Evidence

and

Appendix.

Ordered by the Legislative Assembly to be printed

27th February 1895.

1894-5
(Second Session)

Extracts from the Votes and Proceedings of the Legislative Assembly.

Votes No 43 Thursday 29th November 1894.

4. Resumption of Land, Woolloomooloo Bay:—Mr. James Morgan moved, pursuant to *amended* Notice,—
(1.) That a Select Committee be appointed to inquire into and report upon the resumption and payment for land at Woolloomooloo Bay, including the Challis Estate, Hill & Co.'s, Lahiff's, Brown's, and McQuade's properties.
(2.) That such Committee consist of Mr. Bavister, Mr. Lee, Mr. Lees, Mr. Molesworth, Mr. Piddington, Mr. Clarke, Mr. O'Sullivan, Mr. Wall, Mr. Cann, and the Mover.

Question put.

The House divided.

Ayes, 57.

Mr. Young,
Mr. Sydney Smith,
Mr. Brunker,
Mr. Gould,
Mr. Hogue,
Mr. Stephen,
Mr. Moore,
Mr. Slattery,
Sir George Dibbs,
Mr. Smailes,
Mr. McCourt,
Mr. Cameron,
Mr. Rawlinson,
Mr. Cook,
Mr. Newman,
Mr. Black,
Mr. Robert Jones,
Mr. Anderson,
Mr. Molesworth,
Mr. Frank Farnell,
Mr. Watkins,
Mr. Piddington,
Mr. Rigg,
Mr. Hawthorne,
Mr. Perry,
Mr. Miller,
Mr. Wood,
Mr. Dick,
Mr. Gillies,
Mr. McLean,
Mr. Alexander Campbell,
Mr. Archibald Campbell,
Mr. Tonkin,
Mr. Loughnane,
Mr. Barnes,
Mr. Watson,
Mr. Russell Jones,
Mr. McFarlane,
Mr. McGowen,
Mr. Barister,
Mr. Pyers,
Mr. Gormly,
Mr. Sleath,
Mr. Law,
Mr. Lyne,
Mr. Stevenson,
Mr. Levien,
Mr. Edden,
Mr. Rose,
Mr. Schey,
Mr. Storey,
Mr. Willis,
Mr. Carroll,
Mr. Kidd,
Mr. O'Reilly.

Tellers,

Mr. James Morgan,
Mr. O'Sullivan.

Noes, 9.

Mr. Ferguson,
Mr. Mahony,
Mr. Wilks,
Mr. Nicholson,
Mr. Harris,
Mr. Gardiner,
Mr. Thomas Brown.

Tellers,

Mr. Shipway,
Dr. Hollis.

And so it was resolved in the affirmative.

Votes No 44, Tuesday 4th December 1894.

4. Resumption of Land, Woolloomooloo Bay:—Mr. James Morgan moved (*by consent*), without Notice, That the return respecting claims for resumption of land at Woolloomooloo Bay, and the original papers respecting resumption of lands at Woolloomooloo Bay for wharfage purposes, laid upon the Table of this House on 21st November, 1894, be referred to the Select Committee now sitting on "Resumption of Land, Woolloomooloo Bay."

Question put and passed.

Votes No 49 Tuesday, 18th December 1894

8. Resumption of Land, Woolloomooloo Bay:—
(1.) Mr. James Morgan moved (*by consent*), without Notice, That the Select Committee on "Resumption of Land, Woolloomooloo Bay," have leave to sit during the sitting of the House this day.
Question put and passed.

(2.) Mr. Lyne moved (*by consent*), without Notice, That leave be granted to the Honorable Member for The Hume, Mr. Lyne, to appear and be heard in person or by attorney or counsel before the Select Committee on "Resumption of Land, Woolloomooloo Bay."
Question put and passed.

19. Resumption of Land, Woolloomooloo Bay:—Mr. James Morgan moved (*by consent*), without Notice, That the Select Committee on "Resumption of Land, Woolloomooloo Bay," have leave to sit during the sitting of the House To-morrow.
Question put and passed.

Votes No 50 Wednesday, 19th December, 1894.

15. Resumption of Land, Woolloomooloo Bay:—Mr. James Morgan moved (*by consent*), without Notice, That the Select Committee on "Resumption of Land, Woolloomooloo Bay, have leave to sit during the sitting of the House To-morrow.
Question put and passed.

Votes No 51 Thursday, 20th December 1894.

2. Resumption of Land, Woolloomooloo Bay:—Mr. James Morgan moved (*by consent*), without Notice, That the Select Committee on "Resumption of land, Woolloomooloo Bay," have leave to sit during any adjournment of this House.
Question put and passed.

Insert last entry.

Contents.

Page

Extracts from the Votes and Proceedings.....

Report.....

Proceedings of the Committee.....

List of Witnesses.....

Minutes of Evidence.....

Appendix.....

1894–5.

RESUMPTION OF LAND, WOOLLOOMOOLOO BAY.

~~DRAFT~~ REPORT.

THE SELECT COMMITTEE of the Legislative Assembly, appointed on 29th November, 1894, "*to inquire into and report upon the resumption and payment for land at Woolloomooloo Bay, including the Challis Estate, Hill & Co.'s, Lahiff's, Brown's, and M'Quade's properties, and to whom was granted on 20th December*, 1894, *leave to sit during any adjournment of this House*,"—have agreed to the following Report:—

Your Committee having examined the witnesses named in the list,* beg to report as follows:— * See List, p.

1. That from the evidence given by Mr. Joseph Barling, Under Secretary for Public Works, it is found that the land was resumed by the Government of Sir Henry Parkes, on the 4th of February, 1890.

2. That the land belonging to the Challis Estate, Mrs. Lahiff, and Gattenhoff, was paid for, or payment authorized, by the Colonial Treasurer of the day, Mr. McMillan, upon valuations made by Messrs. Richardson and Wrench, Mills and Pile, and J. B. Thompson, Government Valuator. In the case of Mr. J. A. Brown, payment was authorized by Mr. McMillan after a verdict of jury.

3. That the land belonging to Hill and Company, and M'Quade, were paid for by Mr. John See, Treasurer in the Government of Sir George Dibbs.

4. That the price paid for the land belonging to Hill and Company, viz.:— £145 per foot, ~~was small~~ as compared with amounts given per foot for other land adjoining and in the immediate vicinity, ~~as instance~~ the Challis Estate for which £168 10s. 10d. per foot was paid, or a total of £45,000, the claim being £49,500. Lahiff's land, 30 feet frontage to the bay, with a mean depth of 137 feet 6 inches, at the rate of £150 per foot, or a total of £4,500; J. A. Brown's land having a frontage of 15 feet to the bay, with a mean depth of 129 feet 6 inches, at the rate of £146 13s. 4d. per foot, or a total of £2,200; Gattenhoff's land, having a frontage—but not a water frontage—of 17 feet 4½ inches to the street, at the rate of £71 18s. 10d. per foot, or a total of £1,250; McQuade's land, having a frontage of 505 feet to the bay, with a mean depth of 150 feet, at the rate of £85 3s. 4d. per foot, or a total of £42,925. This last property has no access by right-of-way or road such as the other properties mentioned have, and the settlement was made at the urgent request of Mr. McQuade, who was desirous of going to England for the benefit of his health, and who, as a matter of fact, died shortly after the settlement was arrived at.

5. That the evidence of Mr. J. Barling, Mr. George Hill, Mr. John M'Elhone, Mr. Bellisario, Mr. Sheehey, and others, ~~completely exonerates every member of the Dibbs Government from the suspicion of corruption or collusion in the adjustment of Hill's claim~~.

6. That the evidence given by Mr. E. A. Smith with regard to an alleged statement made to him by Mr. George Hill, rests upon his unsupported ~~statement~~ alone, and was generally denied by Mr. Hill, ~~and according to the weight of evidence, if such statement was made by Hill, it proved to be untrue~~. Mr. Sheehey in his evidence stated positively he never went to the Works Department, and did not even know

know Mr. Lyne till he saw him in the Committee Room. Mr. Batty had been bed-ridden for over twelve months, and is since dead. Your Committee also desire to say that if such a statement was made (as Mr. Smith alleges) by Mr. George Hill, it was his duty, as a civil servant, to have at once communicated it to the head of his Department, ~~viz., the Minister of Justice, and not to have kept it such a profound secret~~ until the meeting of this Committee.

the evidence goes to show that

7. That at the time of the resumption of the Woolloomooloo Bay land, although what is known as the "boom" had ceased, prices for land were ruling very high, and that land which was worth a comparatively small sum in 1886 had increased five or six fold in 1890, *vide* the evidence of Mr. A. W. L. Gregg, pp. 35, 36, 37, and 38, and also evidence of Mr. J. B. Thompson, Government Valuator, pp. 47, 48, 49, and 50.

8. That with regard to the objections raised by the Crown Solicitor regarding the settlement of claims by individual Ministers or Cabinet while they are in the hands of the Crown Law Officers, your Committee do not think it is desirable that such claims should be settled without a consultation with that Department, yet they are of opinion that the functions of that office are confined to tendering legal advice in regard to such claims. In support of the view which the Committee take, they desire to quote the evidence of Mr. Barling, who uses these words, and with which the Committee concur:—"I unhesitatingly say that, as a rule, I do not think it is a good practice, but I can quite see this,—that there are certain cases in which it would never do to bind a Minister with red tape when in the public interest he might consider another course is advisable in order to preclude mistake";—but find that in the case of Hill and Company the claim was settled by the Cabinet, at which the Attorney-General was present, and not by the Secretary for Public Works, Mr. Lyne, and at that meeting he was requested to make no definite offer until satisfied the claimants would accept. ~~Under these circumstances he could scarcely take any other course than he did~~.

are of opinion that the evidence

9. Finally, your Committee entirely exonerate ~~Mr. W. J. Lyne~~, the Honorable Member for the Hume, and late Secretary for Public Works, from any charge or semblance of corruption or collusion in regard to the settlement of the claims of Messrs. Hill and Company and Mr. McQuade, ~~and find that the amounts paid for these two properties were lower than that given for any of the other water frontage lands at Woolloomooloo Bay resumed at this time, and so careful was the Minister of the public funds that he refused to pay the cost of transfer, which, according to evidence was most unusual, as the "Government invariably paid the cost of conveyancing"; and~~ it will be seen by the evidence that Mr. McMillan, Treasurer in the Government of Sir Henry Parkes, was of opinion that the first valuation made of Hill and Company's land, viz., £175 per foot, "seems to be reasonable," and that it was settled by the Government of Sir G. R. Dibbs (in Cabinet) for £145 per foot, notwithstanding that the claimants had obtained a verdict in the Supreme Court of £200 per foot against which the Government had moved and obtained ~~a rule~~ leave for a new trial.

~~Chairman.~~

No. 3 Committee Room, Legislative Assembly,
Sydney, 27 February 1895.

James Morgan
Chairman

Proceedings of the Committee.

Tuesday, 4th December 1894.

Members present.

Mr Bayister, Mr James Morgan
" Lee. " O'Sullivan.
" Lees. " Piddington.

Mr Hall

Mr James Morgan called to the Chair.

Entry from Votes and Proceedings appointing the Committee, read by the Clerk.

Committee deliberated.

Resolved,- That Mr Baring Under Secretary for Public Works, and Mr George Hill be summoned to give evidence next meeting.

Adjourned till tomorrow at a quarter to Eleven o'clock.

Wednesday, 5th December 1894.

Members present.

Mr James Morgan in the Chair.

Mr Bayister, Mr Molesworth.
" Francis Clarke, " O'Sullivan
" Lee, " Piddington
" Lees, " Wall.

Entry from Votes and Proceedings referring papers to the Committee, read by the Clerk.

Joseph Barling, Under Secretary for Public Works, called in, sworn and examined.

Witness withdrew.

Adjourned till tomorrow at a quarter to Eleven o'clock.

5

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Thursday 6th December 1894.

Members present.

Mr James Morgan in the Chair.

Mr Baister.	Mr Lees.
" Cann,	" Molesworth
" Francis Clarke,	" O'Sullivan
" Lee	" Piddington

Mr Wall.

George Hill, called in, sworn and examined
Witness withdrew.
William John Lyne Esq. M.P. sworn and examined
Witness withdrew.
Adjourned till Tuesday next at a quarter
to Eleven o'clock

Tuesday, 11th December 1894.

Members present.

Mr James Morgan in the Chair.

Mr Baister.	Mr Lees.
" Cann,	" Molesworth.
" Francis Clarke,	" O'Sullivan
" Lee,	" Piddington.

Mr Wall.

William John Lyne Esq. M.P. further examined
Witness withdrew.
Ernest Augustus Smith, called in, sworn and
examined.
Witness withdrew
Adjourned till tomorrow at a quarter to
Eleven o'clock

Wednesday 6

Wednesday 12th December 1894.

Members present.

Mr James Morgan in the Chair.

" Francis Clarke, " Mr Holeworth.

" Lee, " O'Sullivan

" Lees, " Mall

Ernest Augustus Smith, called in and further examined.

Witness withdrew.

Adjourned till tomorrow at a quarter to Eleven o'clock.

Thursday 13th December 1894

The House continuing to sit till the hour named for the meeting of the Committee no meeting could be held.

Tuesday 18th December 1894.

Members present.

Mr James Morgan in the Chair.

" Mr Cann, " Mr Francis Clarke.

Entries from Votes and Proceedings, granting leave to the Committee to sit during the sitting of the House This day, and granting leave to W. J. Lyne Esq. M.P. to be represented by Attorney & Counsel or in person before the Committee, read by the Clerk.

Present:- W. J. Lyne Esq. M. P.

Alexander Walter Scott Lynegg, (Managing Director) of Richardson, Wench & Co Limited) called in, sworn and examined.

Witness withdrew

Adjourned till tomorrow at a quarter to Eleven o'clock.

Wednesday, 19th December 1894.

Members present.

Mr Farrer Morgan in the Chair

Mr Baxter Mr Lee,

" Cann " O'Sullivan

" Francis Clarke " Piddington.

Mr Wall.

Entry from Votes and Proceedings granting leave to the Committee to sit during the sitting of the House, this day, read by the Clerk.

Present - W. J. Lyne Esq. M.P.

The Chairman read a letter from Edmund William Molesworth Esq resigning his seat as a Member of the Committee.

Ernest Augustus Smith recalled and further examined.

Mr Smith asked to be supplied with a copy of the Evidence - Committee decided not to grant the request.

Witness withdrew.

George Hoile recalled and further examined

Witness withdrew.

Daniel Shuttey, called in sworn and examined

Witness withdrew.

Edward Henry Belisario called in sworn and examined.

Witness withdrew.

Ordered - That John McElhone, J. B. Thompson, and R. N. Sheridan, be summoned to give evidence next meeting.

Adjourned till tomorrow at a quarter to eleven o'clock.

Thursday 8

Thursday, 20th December 1894.

The House continuing to sit till the hour named for the meeting of the Committee no meeting could be held.

Friday 21st December 1894.

Members present.

Mr James Morgan in the Chair.

Mr Baister, Mr Francis Clarke,

Mr O'Sullivan.

Present. W. J. Lyne Esq. M. P.

Entries from the Votes and Proceedings granting leave to the Committee to sit during the sitting of the House this day, also during any adjournment, read by the Clerk.

Richard Aurria Sheridan (Manager of the Bank of New South Wales, Bathurst Street Branch,) called in, sworn and examined.

Witness withdrew.

James Bamford Thompson (Government Educator) called in, sworn and examined.

Witness withdrew.

John McElhone called in, sworn & examined.

Witness withdrew.

Frederick George Rae, called in, sworn and examined.

Witness withdrew.

Adjourned till Monday next at eleven o'clock.

Monday 14th January 1895.

Members present.

Mr James Morgan in the Chair.

Mr Francis Clarke Mr O'Sullivan

" Lees. " Nail.

Present. W. J. Lyne Esq. M. P.

Captain

Captain John Jackson, called in and made an affirmation, and examined.
Witness withdrew.
"Frederick George Ray, recalled and further examined.
Witness handed in a Schedule showing the amounts paid by the Government for land resumed at Roebourne Bay
Witness withdrew.
Committee adjourned till Friday next at two oclock.

Friday, 18th. January 1895.
Members present.
Mr James Morgan in the Chair.
Mr Davis and Mr Francis Clarke
" Cann. " O'Sullivan.
Committee deliberated as to their Report.
Resolved on motion of Mr Davis that Messrs Stephen, Jaques, and Stephen, be summoned to give evidence next meeting.
Adjourned till Monday next at eleven oclock.

Monday, 21st. January 1895.
Members present.
Mr Davis Mr Cann.
" Francis Clarke " O'Sullivan.
Mr O'Sullivan called to the Chair pro tem.
George Colquhoun, Crown Solicitor called in, sworn and examined.
Witness withdrew.
Walter Henry Poole called in sworn and examined.
Witness produced a plan showing the land resumed

resumed by the Government at
Woolloomooloo Bay.
Witness withdrew.
Arthur Charles Ebsworth, Managing
Clerk for Messrs Stephen, Jaques, & Stephen
called in, sworn and examined.
Witness withdrew.
Reassembling of the Committee to be
arranged by the Chairman.

Monday 28th January 1895.
Members present.
Mr James Morgan in the Chair.
Mr Bavister, Mr Cann
" Francis Clarke, " O Sullivan.
Mr Wale

Committee adjourned till twelve o'clock noon.
There being only two Members present,
viz. Mr James Morgan, and Mr Bavister
within fifteen minutes after the hour to
which the Committee stood adjourned -
the meeting lapsed.

Friday 1st February 1895.
Members present.
Mr James Morgan in the Chair.
Mr Bavister. Mr O Sullivan.
Mr Wale

Arthur Charles Ebsworth recalled and
further examined.
Witness withdrew.
Frederick George Wale recalled and further examined
Witness withdrew.
Chairman to prepare Draft Report.
Reassembling of the Committee to be arranged by the
Chairman.
adjourned

and to whom was referred on 4th December, 1894, the return respecting claims for resumption of land at Woolloomooloo Bay, and the original papers respecting resumption of lands at Woolloomooloo Bay for wharfage purposes,

DRAFT REPORT.

THE SELECT COMMITTEE of the Legislative Assembly, appointed on 29th November, 1894, "*to inquire into and report upon the resumption and payment for land at Woolloomooloo Bay, including the Challis Estate, Hill & Co.'s, Lahiff's, Brown's, and M'Quade's properties, and to whom was granted on 20th December*, 1894, *leave to sit during any adjournment of this House*,"—have agreed to the following Report :—

Your Committee having examined the witnesses named in the list,* beg to report as follows :— * See List, p.

1. That from the evidence given by Mr. Joseph Barling, Under Secretary for Public Works, it is found that the land was resumed by the Government of Sir Henry Parkes, on the 4th of February, 1890.

2. That the land belonging to the Challis Estate, Mrs. Lahiff, and Gattenhoff, was paid for, or payment authorized, by the Colonial Treasurer of the day, Mr. McMillan, upon valuations made by Messrs. Richardson and Wrench, Mills and Pile, and J. B. Thompson, Government Valuator. In the case of Mr. J. A. Brown, payment was authorized by Mr. McMillan after a verdict of jury.

3. That the land belonging to Hill and Company, and M'Quade, were paid for by Mr. John See, Treasurer in the Government of Sir George Dibbs.

4. That the price paid for the land belonging to Hill and Company, viz. :— £145 per foot, was small as compared with amounts given per foot for other land adjoining and in the immediate vicinity, as instance the Challis Estate for which £168 10s. 10d. per foot was paid, or a total of £45,000, the claim being £49,500. Lahiff's land, 30 feet frontage to the bay, with a mean depth of 137 feet 6 inches, at the rate of £150 per foot, or a total of £4,500 ; J. A. Brown's land having a frontage of 15 feet to the bay, with a mean depth of 129 feet 6 inches, at the rate of £146 13s. 4d. per foot, or a total of £2,200 ; Gattenhoff's land, having a frontage—but not a water frontage—of 17 feet 4½ inches to the street, at the rate of £71 18s. 10d. per foot, or a total of £1,250 ; McQuade's land, having a frontage of 505 feet to the bay, with a mean depth of 150 feet, at the rate of £85 3s. 4d. per foot, or a total of £42,925. This last property has no access by right-of-way or road such as the other properties mentioned have, and the settlement was made at the urgent request of Mr. McQuade, who was desirous of going to England for the benefit of his health, and who, as a matter of fact, died shortly after the settlement was arrived at.

5. That the evidence of Mr. J. Barling, Mr. George Hill, Mr. John M'Elhone, Mr. Bellisario, Mr. Sheehey, and others, completely exonerates every member of the Dibbs Government from the suspicion of corruption or collusion in the adjustment of Hill's claim.

6. That the evidence given by Mr. E. A. Smith with regard to an alleged statement made to him by Mr. George Hill, rests upon his unsupported statement alone, and was generally denied by Mr. Hill, and according to the weight of evidence, if such statement was made by Hill, it proved to be untrue. Mr. Sheehey in his evidence stated positively he never went to the Works Department, and did not even

know

7. That at the time of the resumption of the Woolloomooloo Bay land, although what is known as the "boom" had ceased, prices for land were ruling very high, and that land which was worth a comparatively small sum in 1886 had increased five or six fold in 1890, *vide* the evidence of Mr. A. W. L. Gregg, pp. 35, 36, 37, and 38, and also evidence of Mr. J. B. Thompson, Government Valuator, pp. 47, 48, 49, and 50.

8. That with regard to the objections raised by the Crown Solicitor regarding the settlement of claims by individual Ministers or Cabinet while they are in the hands of the Crown Law Officers, your Committee do not think it is desirable that such claims should be settled without a consultation with that Department, yet they are of opinion that the functions of that office are confined to tendering legal advice in regard to such claims. In support of the view which the Committee take, they desire to quote the evidence of Mr. Barling, who uses these words, and with which the Committee concur:—"I unhesitatingly say that, as a rule, I do not think it is a good practice, but I can quite see this,—that there are certain cases in which it would never do to bind a Minister with red tape when in the public interest he might consider another course is advisable in order to preclude mistake";—but find that in the case of Hill and Company the claim was settled by the Cabinet, at which the Attorney-General was present, and not by the Secretary for Public Works, Mr. Lyne, and at that meeting he was requested to make no definite offer until satisfied the claimants would accept. Under these circumstances he could scarcely take any other course than he did.

9. Finally, your Committee entirely exonerate Mr. W. J. Lyne, the Honorable Member for the Hume, and late Secretary for Public Works, from any charge or semblance of corruption or collusion in regard to the settlement of the claims of Messrs. Hill and Company and Mr. McQuade, and find that the amounts paid for these two properties were lower than that given for any of the other water frontage lands at Woolloomooloo Bay resumed at this time, and so careful was the Minister of the public funds that he refused to pay the cost of transfer, which, according to evidence was most unusual, as the "Government invariably paid the cost of conveyancing"; and it will be seen by the evidence that Mr. McMillan, Treasurer in the Government of Sir Henry Parkes, was of opinion that the first valuation made of Hill and Company's land, viz., £175 per foot, "seems to be reasonable," and that it was settled by the Government of Sir G. R. Dibbs (in Cabinet) for £145 per foot.

~~Chairman.~~

~~*No.* — *Committee Room, Legislative Assembly,*~~
~~*Sydney,* 1895.~~

Tuesday 7th February 1895.

Members present.

Mr James Morgan in the Chair

Mr Davies, Mr O'Sullivan

" Cann, " Piddington

" Lee, " Wall.

The Chairman submitted Draft Report which was read a first time as follows

know Mr. Lyne till he saw him in the Committee Room. Mr. Batty had been bedridden for over twelve months, and is since dead. Your Committee also desire to say that if such a statement was made (as Mr. Smith alleges) by Mr. George Hill, it was his duty, as a civil servant, to have at once communicated it to the head of his Department, viz., the Minister of Justice, and not to have kept it such a profound secret until the meeting of this Committee.

7. That at the time of the resumption of the Woolloomooloo Bay land, although what is known as the "boom" had ceased, prices for land were ruling very high, and that land which was worth a comparatively small sum in 1886 had increased five or six fold in 1890, *vide* the evidence of Mr. A. W. L. Gregg, pp. 35, 36, 37, and 38, and also evidence of Mr. J. B. Thompson, Government Valuator, pp. 47, 48, 49, and 50.

8. That with regard to the objections raised by the Crown Solicitor regarding the settlement of claims by individual Ministers or Cabinet while they are in the hands of the Crown Law Officers, your Committee do not think it is desirable that such claims should be settled without a consultation with that Department, yet they are of opinion that the functions of that office are confined to tendering legal advice in regard to such claims. In support of the view which the Committee take, they desire to quote the evidence of Mr. Barling, who uses these words, and with which the Committee concur:—"I unhesitatingly say that, as a rule, I do not think it is a good practice, but I can quite see this,—that there are certain cases in which it would never do to bind a Minister with red tape when in the public interest he might consider another course is advisable in order to preclude mistake";—but find that in the case of Hill and Company the claim was settled by the Cabinet, at which the Attorney-General was present, and not by the Secretary for Public Works, Mr. Lyne, and at that meeting he was requested to make no definite offer until satisfied the claimants would accept. Under these circumstances he could scarcely take any other course than he did.

9. Finally, your Committee entirely exonerate Mr. W. J. Lyne, the Honorable Member for the Hume, and late Secretary for Public Works, from any charge or semblance of corruption or collusion in regard to the settlement of the claims of Messrs. Hill and Company and Mr. McQuade, and find that the amounts paid for these two properties were lower than that given for any of the other water frontage lands at Woolloomooloo Bay resumed at this time, and so careful was the Minister of the public funds that he refused to pay the cost of transfer, which, according to evidence was most unusual, as the "Government invariably paid the cost of conveyancing"; and it will be seen by the evidence that Mr. McMillan, Treasurer in the Government of Sir Henry Parkes, was of opinion that the first valuation made of Hill and Company's land, viz., £175 per foot, "seems to be reasonable," and that it was settled by the Government of Sir G. R. Dibbs (in Cabinet) for £145 per foot.

14

Paragraphs

Paragraphs 1. 2. and 3 read and agreed to.
Pardgraph 4 read
Mr Piddington moved that the paragraph be amended by leaving out in line ( ) the words "was small".
Question put. That the words proposed to be omitted, stand part of the paragraph.
Committee divided.

Ayes.	Noes.
Mr Lee.	Mr Braister.
	Mr Cann.
	Mr O'Sullivan
	Mr Piddington

And so it passed in the negative!
Question:- That the words proposed to be inserted, be so inserted.
Put and passed, and the paragraph having been further amended, pardgraph as amended agreed to.
Paragraph 5 read.
Mr Piddington moved the omission of the words "completely exonerates every member of the Liberal government from the suspicion of corruption or collusion in the adjustment of Hill's claim" lines ( )
Question that the words proposed to be omitted, stand part of the paragraph.
Committee divided.

Ayes.	Noes.
Mr Cann,	Mr Braister.
Mr Lee,	Mr O'Sullivan.
Mr Hall,	Mr Piddington

The numbers being equal the Chairman gave his casting vote with the noes, and declared the question to have passed in the negative.

Question, that the words proposed to be inserted, be so inserted, put and passed.
And certain other amendments having been made, paragraph agreed to.
Paragraph 6 read, amended and agreed to.
Paragraph 7 read, amended and agreed to.
Paragraph 8 read, amended and agreed to.
Paragraph 9 read Mr O'Sullivan moved the omission of words in lines ( )
Question - That the words proposed to be omitted stand part of the paragraph
Committee divided.

Ayes.	Noes.
Mr Cann	Mr Bavister
Mr Lee	Mr O'Sullivan
Mr Wall	Mr Siddington

The numbers being equal the Chairman gave his casting vote with the ayes and declared the question to have passed in the affirmative.
Mr Lee moved, add at end of paragraph the words, "notwithstanding that the claimants had obtained a verdict in the Supreme Court of £200 per foot, against which the Government moved ~~for~~ and obtained leave for a new trial."
Question put That the words proposed to be added be so added.
Committee divided.

Ayes.	Noes.
Mr Cann	Mr Bavister
Mr Lee	Mr Siddington
Mr O'Sullivan	
Mr Wall	

The

Ayes 6
Noes 11

The Chairman declared the question to have passed in the affirmative.

Paragraph as amended agreed to.

Mr Bavister moved that the final consideration of the Report be postponed till Wednesday next.

Question put.

Committee divided.

Ayes.
Mr Bavister

Noes.
Mr Cann
Mr Lee
Mr O'Sullivan
Mr Piddington
Mr Ward.

And so it passed in the negative.

Motion made (Mr O'Sullivan) That the Report as amended be the Report of the Committee.

Question put and passed.

Chairman to Report to the House.

List of Witnesses. Page

Baling Joseph.....
Beligdria Edward Henry.....
Colquhoun George.....
Epsworth Arthur Charles.....
Gregg Alexander Walter Scott.....
Hick George.....
Jackson Captain John.....
Lyne William John Esq M.P.....
McElhone John.....
Poole Walter Henry.....
Rae Frederick George.....
Shipley Daniel.....
Sheridan Richard Kewman.....
Smith Ernest Augustus.....
Thompson James Bamford.....

6.

FREDERICK E. RAE recalled and further examined:-

Chairman: In t appendix to your evidence wh you have handed in to t comtee you make this statement w reference to t questn o costs: "T costs o conveyancing in connection w t resumptn wh are usually paid by t Govt were in this case included in t offer made to t claimants, and were therefore not paid by t Govt." Mr. W.Ebsworth fm t office o Stephen Jaques & Stephen has stated in his evidence tt these were not included in t offer o t claimants & tt tyour statement therefore is incorrect. ~~Can you say tt o your own knowledge~~ you gave -tt evidence, were you speaking o your own knowledge or knowledge gained fm some other dept.? I may explain tt when I gave my last evidence I understood tt there was to be no other meetng o t comtee. I was asked whether I cd give evidence on tt particular point. I said tt I wd get t evidence embodied in a schedule. I saw t C. Slr and he instructed me exactly what to say. I quote his words: "It is a difference o opinion between t C. Slr's office and t solr. for t claimants who naturally will not admit anything against their clients. T Min. I see on referring to t papers made this minute "T minute referred to all costs".
I consulted t C. Slr in particular about tt matter because I thought it might be an important point and I wrote down what he told me to say.

(Mr Colquhoun t C Slr in referrng this questn to t U. S. for P. Wks says in his letter " T minute, as you will see, reads "each party paying their own costs". If it is a usual thing f t Govt when they resume land to pay these costs wd it not in this case be right according to this minute & to t evidence tt t Govt shd pay these costs as they are separate fm t costs o t actn or t costs o t settlement? ~~Tt is a questn wh I shd not answer~~, (answer to go) It is altogether out of my province/I shd not like to undertake to say what t Govt shd do.

1365 Q:- Still hitherto it has been t custom o t Govt to pay t costs o transfer? It is t invariable custom to pay t costs o transfer in t case of land resumptions.

Box No. 176, G.P.O.
Telephone No. 1.

Richardson & Wrench, Limited,

Established 1860-1889.

Land Auctioneers, Valuers, & Stock & Station Agents,

98 Pitt St., Sydney, 13th October 1892

Sir,

Referring to the personal interview with you this morning re Woollomooloo Bay Resumptions I beg to state that until a few years ago that portion of the City was almost neglected by Capitalists- practically the whole place was dormant- An activity arose in the way of demand for lands there under the belief that the early future would discover for it an important and valuable use; the comparative smallness of the available area, its proximity to theCity and the suggested Railway connection together with a measure of patronage of large Ocean-going Vessels and others of smaller style, all tended to awaken an interest and enhance value.

As shewing the developments of prices for Lands immediately hereabouts I have knowledge of these Sales;-

127½ ft Cowper Wharf
299 ft depth along Duke St
215 ft " " Dowling St
97 ft " to Harnett Lane-

for £3,500- to Dr Morris.
He sold it in 1888 I think,
for £21,000- & I knew Vender in
1890 asked £27,000-

87½ ft to Cowper Wharf
120 ft depth to Dowling St-
81 ft to Bland St-
other depth line less-

for £2,000-
The buyer died only a few years
ago & I understand his Widow to
say his value was £200- per foot
frontage- My clear impression is
that she was offered £160- per
foot frontage

(9 1

58 ft to Cowper Wharf
part of it having a depth of 54
feet to 89 feet, other side line
112 feet, width at rear only 25 ft- } for £7,000- in 1888-

27½ feet Cowper Wharf
depth 86 feet to 92 feet
27 feet to rear Street } for £30- per foot adjoining I think the piece previously quoted for £2,000- & which 27½ ft frontage was sought for in 1888

In September 1888 we offered Moore's Wharf, Millers Point with a Reserve of £96,000- and had offers at Auction of £85,000- or £86,000- when it was not sold. Enquiries then set in for Cowper's Wharf frontages as the idea was that quarter would come into active employment for Wharves & Storage Warehouses- the rate being less than the prices required for frontages on Darling Harbour-

Yours ff'y;

(Signed) A.W.S.Gregg-

To The Crown Solicitor,

S y d n e y-

P.S. As explained to you the difference in the assessed prices per foot arose from the fact of the varied breadth of frontages; the narrower not having been deemed as valuable as the larger block which latter allowed of better scope for use. May I mention that after the Crown resumed Challis' Estate block it was remarked it was a cheap purchase & I heard that had it gone to Auction some would have competed for it & bought it at more money-

A.W.S.G.

Typed Copy } 20 7

RAILWAYS WHICH HAVE BEEN CONSTRUCTED AND SETTLED BY THE DEPARTMENT WITHOUT REFERENCE TO LAW.

RAILWAY	CONTRACTOR.	Total amount of Contractors Claim	Total Amount paid.
Culcairn to Corowa. X	Horne & Shand.	£148,000.	£118,794.
Nyngan to Cobar. X	Smith & Finlayson.	£221,821.	£201,655.
Kiama to Nowra. X	E.Pritchard.	£280,000	£266,543.
Cootamundra to Temora. X	Baxter & Saddler.	£116,877.	£108,951.
Sydney to Waterfall.	C & E.Miller.	£239,712.	£232,682.
Hawkesbury Bridge.	Union Bridge Co.	£366,000	£355,163.
Tamworth to Uralla.	A & R Amos.	£817,000	£732,789.
Uralla to Glen Innes.	Proudfoot & Co.	£545,000	£510,704.
Sydney to Wollongong & Kiama. No 3.	Proudfoot & Co.	£444,000	£388,593.
Homesbush to Hawkesbury.	A & R Amos,	£542,600.	£474,946.
Gosford to Warkatah.	A & R Amos.	£554,300	£522,954.

16

W.J.Lyne Esq M.P.

X Omitted by the N.S.W. all others settled by Railway Commissioners

11 . 12 .94.

Workmanlow Bay Resumption

Schedule referred to in Mr. Rae's evidence

Claimant	Frontage	Average Depth	Area			Amount paid without interest			Rate per acre without interest			Total amount paid including interest			Rate per acre including interest			Rate per foot including interest		
	feet	feet	R	R	P	£	S	D	£	S	D	£	S	D	£	S	D	£	S	D
Challis Estate	261	282'	1	2	37½	45.000	.	.	25.946	.	.	47.951	9	11	27.648	.	.	183	14	5
Hill George	253' 7½"	213' 6"	1	.	.	36.775	12	6	36.775	12	6	46.397	.	.	46.397	.	.	182	18	5
do	50'	151'	.	.	26½	7.250	.	.	43.773	.	.	9.146	.	.	55.219	.	.	182	18	5
2 do	123'	108' 6"	.	1	2½	17.835	.	.	3 67.144	.	.	22.499	.	.	84.672	.	.	182	18	5
do	112'	98' 6"	.	1	1	16.240	.	.	63.375	.	.	20.487	.	.	79.950	.	.	182	18	5
Lahuff T.	30'	137' 6"	.	.	14	4.500	.	.	51.428	.	.	5.236	15	4	59.848	.	.	174	11	2
Brown J.A	15'	129' 6"	.	.	7	2.200	.	.	50.285	.	.	2.629	19	10	60.114	.	.	175	6	8
Mc Quade	305'	150'	1	2	34	42.925	.	.	25.065	.	.	53.459	16	9	31.216	.	.	105	17	2
Total of Sly Hill Land	538' 7½"	145'	1	2	30	78.100	12	6	46.282	.	.	98.528	19	5	58.387	.	.	182	18	5
																		5		
	9	4	4		5		6½		6½			–			–					

1 Det 1 Bar 1 9 4 4 5 6½ 5.

With reference to the question of costs. The costs of conveyancing in connection with the Resumption, which are usually paid by the Government, were, in this case included, in the offer made to the claimants and were therefore not paid by the Government

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Fred. L. Rae

17/1/95

This Evidence is very urgent and is required tomorrow morning.

LEGISLATIVE ASSEMBLY, N.S.W.

SYDNEY, ... 189

GOVERNMENT PRINTING OFFICE 4 FEB 95 SYDNEY.

W. B. Lands Resumptions.

Friday 1st February 95.

Present .

Mr. Bavister Mr. O'Sullivan Mr Wall.

J. Morgan Esq. in the Chair.

Arthur Charles Ebsworth Esq. recalled and further examined.

1333 Mr Bavister. Can you give the particulars of the prices which were actually paid for the various portions of ld wh were purchased by Hill and his associates with him and resumed by the Government.? Yes I may explain that the land itself was not bought but certain interests in the estate I turned up some old papers and I found the original memorandum I made out in connection with the action and wh gives the various amounts. Mrs. Peisley, £2000.-

4 Chairman: Was that for her life interest or for some ld owned by Mrs Peisley? It was for her interest in the estate. This is t deed referred to and there is h receipt f t £2000

Mr Bavister: Wh Mrs Peisley do you refer to? Their are several ladies of the name of Peisley but Mrs Peisley was the mother of t other ladies of that name: Her name was Elizabeth. Miss Florence Elizabeth Peisley her daughter £1,000; Martha Australia Peisley £1,000 ; Mrs Johnston a married daughter £1,000 pounds . The next person was John Doyle who received £5,00 pounds; this is the deed of the purchase of his interest. The next person is Mrs Hillyard who received £13,50; this other deed. The next person is Mr Mason who was one of the executors and who also had an interest in the estate. He received £5,000 pounds for his interest; he also received another amount which I will come to after wards. this is Mrs Mason's deed. Mrs Morris received £1200 pounds, this is her deed. Ernest Robert

Peisley received £600 pounds in all, that is to say, he mortgaged for £200 and there is a subsequent assignment for £400 making £600 pounds; these are the two deeds referred to. Mr O'Donnell (who was also one of the executors) received £75. for a legacy to which he was entitled; this is the deed referred to. Mrs Charlotte Wilson reed £75 for a legacy given to her by the Will; this is the dd of that. Mr

L 1336 Mr Bayister: The sums which were paid to O'Donnell and Wilson were paid by Hill and those associated with him? Yes.

They were not paid by the executors to whom you ~~were~~ referred ?

Mr Batty who died just before the settlement of the matter is the purchaser of O'Donnell's legacy and also Mrs Wilson's These are the amounts mentioned in the various deeds which I produce. I think you will find that tallies with what was given in the action.

8 Where not all these matters settled through your office.? Not entirely

9 Can you distinguish those which were settled through your office?

Mrs Peisley and the three daughters were settled through our office; Mr Mason was settled through our office; the others were settled outside.

40 Of the five that were settled through your office, were you the peron who acted for the office ? Yes.

1 You are in a position to state of your own knowledge that those

were the sums paid? I am.

1342 Can you state the names of the Solicitors who acted for t portions of Doyle Hilliard, Morris, E. R. Peisley, O'Donnell and Wilson ?

A:- For John Doyle, Davis and Amos; for C. J. Hilliard, Davis & Amos; for Mrs Morris Davis & Amos; for E. R. Peisley, Davis & Amos &, In tt connectn some slightly different evidence has been given before the Comtee. It has been testified that the £400 to E.R. Peisley comprised t £200 already advanced on mortgage? The documents speak for themsel'es. T first one is an indenture o t 7th Sept 1887. E. P. Peisley to Thomas Batty, and Sheehy, and recites tt he has applied for a loan of £200. In consideratn o tt £200 he assigns his interest in t estate. Subsequently by an assigrment dated 3rd Jan. 1888 he releases to Thos Batty & Sheehy his interest referred to absolutely for £400 - quite distinct sums and quite distinct deeds. T receipts acknowledge for each sum.

4 Q:- Who were the solicitors for t purchaser of t legacy fm Mr O'Donnell.? Davis & Amos

5 Q:- Can you state t dates on which t transfers o t properties f which your office acted were completed? T first four persons are all included in one deed which is dated 29th Aug. 1889. Mr.

Mason gave his deed on the 12th Sept 1889 ~~I do not know whe-~~

ther t Comtee require me to give any other evidence, but I do know o other things as I stated in my evidence in t Court & if t Comtee wish to examine me on those matters I shall be happy to tell them what I know. Of course it is only informatn tt I have fm being connected w t matter. It is not evidence o my own, and I so ~~gave t evidence in t~~ Court.

Mr O'Sullivan: You stated in your previous evidence

~~...~~ obtained. The deeds will not show the amount of the purchase money paid by Hill and others. For instance, take Doyle's property, which was bought by Hill and others and sold to the Government. That property was mortgaged by Doyle's trustees; the mortgage became due, and instead of being paid off by the trustees of the estate, it was paid off by Hill and others to the amount of £8,000 or £8,500.

Have you anything further to say to t Comtee in regard to tt matter? Yes, I was going to refer to tt matter. I wish to amend my previous evidence in a small respect. I was only speaking fm memory then. W regard to tt mortgage I find tt t amount was not £8,000 but £6,500. I have had an opportunity to turn up t papers since I gave my evidence, & I find the receipt f t amount in these words" Received fm Messrs Mason & O'Donnell through Hill and Belisario £6,500, principal due ~~under~~ S. A. Bayly & another, ~~mortgaged on~~ 18th July 1890" so tt t £8,000 I referred to shd have been £6,500 all through my previous evidence

Q:- There was no other mortgage than tt? No other mortgage.

Q:- Does t mortgaged sum o £6,500 appear in t Judge's notes?

Yes. T sum total o t deeds I have ~~given~~ is £13,650.

Q:- Fm the Judge's notes o your evidence I will read t figures wh you gave In t Court ~~and ask you if those figures are correct-~~

~~ly stated:~~

The deeds show	£13,600
Cheque to Counsel	£1,250
Mortgage to Baily	6,500
Money paid to Executors £250, 675	925
Costs	81 9/-
	£42. 16. 6
Cheque of Testator	100. 0 0
Mr O 'Donnell	75 0 0
Mrs. Wilson	75 0 0
	22,619 5 6
Not received by Plaintiffs	3,000 0 0
	£25,619 5 6

~~Is the figures given by you correctly stated?~~

Is that correct? ~~Subject to the addition being correct it is alright.~~ I have on my notes a total of £25699.5.6; but I have not had time to check the additions

The figures you gave before t Judge in t Court are correct? Yes as far as ~~the~~ my knowledge of the matter goes. I believe though I am not in a position to state of my own knowledge that other amounts were paid by the parties

~~There were sums paid the amounts of wh I am not in a position to state.~~

What other amounts is it possible were paid? Odds and ends like rates on the different properties and small charges one way and

other.

1353 How much do you think they would amount? That I cannot say but probably Mr Bel[illegible]erio could give the information, in fact in think he did in the Court.

Mr Bavister: In t evidence some persons have been referred to as being interested in other properties Can you state the value of t other propeties referred to? The properties have I think since bn sold for £1,000 altogether and of course that is a very small intem

Chairman: Where there any other large sums paid by Hill and Co in any way besides these amounts you have mentioned? There may have been but I am not in a position to say I am giving evidence of the things I personally know of, distinguishing them from t things I know indirectly

Is it the usual thing for t Government when they resume any ld to pay the costs of the transfer? Yes almost invariably.

Do you know whether in this case they paid the costs of transfer? No, the Government did not pay so far. Some question was raised about the costs on the settlement of the matter. and to our astonishment the Crown Solicitor stated that no costs would be

paid.

1356 In t settlement of this case was any mention made that Hill and Co should pay the costs of transfer or that the Government should pay the costs.

Q:- Was ~~there~~ any arrangement made between the Solicitor and the Government as to who should pay the cost? There was no arrangement. On the matter being mentioned ~~at the~~ [t making ~~of~~ arr t t computing the allds terms] of the settlement we were surprised to hear that Hill and others would not be allowed the costs of transfers. Objection was at once taken to settle, but as t matter had been hanging over so long it was decided to leave the questn in abeyance until t Crown Solicitor had an opportunity of communicatng w t Minister. No agreement was made to waive t questn and it has never been waived yet.

9 Q:- Can you state what were the costs o t transfer? T costs o t transfer have never been made up because o course it wd be necessary to make out a detailed bill and to have tt taxed.

10 Q:- You cannot state about what t amount wd be? I shd think roughly speaking t actual conveyancing costs wd come to about £200 or £300. T questn was raised at t time in this way: T conveyancing costs wd have been pd by t Crown in t ordinary course, but t

point was raised by t Crown Solicitor tt t settlement included all costs. We do not hold this view because t only thing wh was being done when the price was arranged for was t settlement of an action and nothing else, and t costs wh you will see referred to in t memorandum o t settlement are t costs o settling "the action," and not t conveyancing costs. T one is altogether apart fm t other.

/34 Q:- If t following statement has been made before this Comtee is it true?

> "The costs of conveyancing in connectn w t resumptn, wh are usually paid by t Govt, were, in this case, included in t offer made to t claimants and were therefore not paid by the Government"

No, they were not included. It was not necessary to specify them because we were not settling tt part o t matter; an action only was being settled.

2 Q:- Do you still maintain tt t Govt shd have paid these costs?

Certainly. There is one small matter wh perhaps I may be permitted to refer to: It may throw some light on t correspondence wh I see printed, & In reference to some slight dispute between the Wks Dept and the C. Slr. when t memorandum o t settlement was signed between our office & t then Premier Sir G. Dibbs our office suggested tt a proper agreement containing these

8

specific terms o settlement shd be drawn out, and we asked t C. Slr. several times to send us t draft so tt there shd be no mistake about what was actually arranged, but it was stated tt it was quite unnecessary tt t matter wd be carried through at once and tt there cd be no questn about it; otherwise t questn o costs and other things wd have been placed on a proper footing.

1363 Q:- If tt had been done by r C Slr. there cd be no dispute as to t costs o transfer or any other matters? Certainly not.

Q:- T neglect in not making t agreement has entailed this dispute? O course tt is our view o it.

Memorandum.

From Legis: Assembly office

To The Superintendent
Govt Printing Office

20th February 1895

Please let me have M.S. Evidence
by W.H. Poole (21st January 1895)
before Select Committee on "Resumption
of Land Woolloomooloo Bay"

folios 2-5 W.H.M.

Arthur Charles Edwards Sy sworn recalled.

1284-5 Chr What position do you hold? Managing Clerk to Stephen Jaques and Stephen.

Yr Lawrence Richard Grove I am informal- learning in this case? So far as I am able to do so. The summons refers to certain deeds to be produced here. When I first read I noticed I took it to refer to I release given by Hill and others to Crown; but I see now that it refers to I deeds relating to I purchase by Hill and others. Those deeds are still now in our possession; they are at I hand Office ready in connection with I hearing & some land under I act; but, of course, they can be obtained. The deeds will shew I amount of I purchase money paid by Hill and others. For instance take Doyle's property which was bought by Hill and others and sold to Scott: That property was mortgaged by Doyle's trustees; the mortgage became due, and instead of being paid off by I trustees of I estate it was paid off by Hill and others to I amount of £8000 or £8300. There is nothing on I deeds of purchase by Hill and others, to show that I mortgage money was paid by Hill and others. There are other amounts too in connection with Doyle's Estate which do not appear on I face of I deeds; and therefore the deeds, even if produced, will not shew I exact sum paid by Hill and others.

Q Are we to understand that in I case you admit in addition to what appears on I deed as I purchase money £8000 was paid by Hill? Yes in one lump & then there were other amounts. Perhaps if I explain I matter I will see clearly what I mean. The various

Hill and Others at various times purchased interests in Boyle's estate. They brought up legacies from time to time; they had different benefactions certain amounts for their shares in / estate; and having bought up / interest of every body (I was interested in the they took over) / estate with all liabilities. There were debts owing by / estate secured by one mortgage; and there were other charges which had to be satisfied and which Hill and Others had to put their hands in their pockets to pay. Now / deeds do not show accurately what amount of money was paid by them for this land: they really bought up / estate.

1327 Why are there precise amounts mentioned in / deeds of / purchasers? For instance one legacy of £100 is payable by / estate to one of / Boyles. Hill and Others may have bought up / legacy for £80 or £85. Such deed specifies / amount / was paid or / particular transaction but / sum total on / deeds, on / face of them, do not show / sum total of / money paid

8 Then these deeds are not a true criterion of what has been paid by Hill and Others? No, as I explained when I gave evidence in / case in / court. Speaking from memory I think / amounts totted up to between £20,000 and £24,000

9 Mr Clarke That was / total of / sums appearing on / face of / deeds? No, but taking all these things into consideration

30 Mr Barnes Are you in a position to state to / Court what payments were actually paid made for / various pieces of ground? No; but I think I stated in / Court - I had / papers before me then - it was about £22,000

331 The Chr= The total o / amounts paid by Hill and others in the memorandum is £2295? ? Di is

how / cannis he/es he/is be stated at £ 2295? ? Di is

also that ? think.

? £50 1332 Does it include / mortgage debt o £8000 which Hill

paid off ? Not- if is not shewn as separately stated, because

it is evidently a list o / payments made by /

between Hill and others and the trustees o Davies' estate.

(— /

90

GOVERNMENT PRINTING OFFICE - SYDNEY

Walter Henry Pirle Esq sworn and exam^d

Chairman What position do you hold? I am assistant managing conveyancing clerk in / Crown Solicitor's Office.

I understand you attend here to give information touching on this case? Yes.

Will you kindly state what information you have to give? From / orders in our office I have prepared a statement of the amount paid by Hill and others in respect of / land resumed and I think it is correct. I produce a tracing, (Exhibit —) that shows / whole of / lands resumed. The property edged blue on the tracing belonged to Charles Doyle. By his will he left ~~that property~~ ~~to three persons~~: Elizabeth Peisley a life interest in 2/6ths. ~~The~~ the absolute interest in such 2/6ths subject to that ~~remainder of land~~ = that is / freehold subject to / life interest — he gave belonged to Florence E. Peisley, Martha A Peisley and Marie L Peisley (now Mrs Johnson). Those persons were paid £5000 for their interests which related to ~~others~~ as well interests in other properties under / will. John Mason was paid £5000 by Geo Hill for 1/6th; & Charlotte Hilliard £1350 by Thomas Booth & Others for 1/6th; & Anne Elizabeth Morris was paid £1200 by same parties for 1/6th; and Ernest Robert Peisley was paid £400 by same parties for a moiety of 1/6th equal (subject to / not being able to pay back this sum) he thereupon mortgaged to ~~Hill~~ Others for £200 which I take ~~to equals~~ to equivalent to £400. John Doyle conveyed his interest in the remaining moiety of 1/6th to the same parties ~~Hill and others~~ for £500. These comprised / whole of / interests of / beneficiaries under Doyle's will ~~in respect of land edged blue~~. The land edged green was purchased from Edward French by Geo Hill and Thomas Booth Daniel Shelley & Edward Belisario ~~others~~ for £5000. The land edged red was purchased by George Hill alone from Richard Rouse Terry for £4500. The total of the sums is £22950.

Produced & the lands edged blue & green on tracing the purchases above mentioned were made on behalf of a syndicate comprising Geo Hill Thomas Booth Daniel Shelley & Edward Henry Belisario the latter who established by a Deed made between the parties dated 19th Nov^r

1909 Mr. Barrister Does the ground which is shown on your tracing comprise the whole of land assumed by / Sor. from the others? Yes

10 Can you state / dates on which / various portions were purchased by or came into / possession of the said and others?

The interests under Wyke's will were bought by Hill and others at different times / As to the $\frac{2}{6}$ purchased from / Pecksley, / £5000, / purchase money, was paid on / 29th Aug. 1889. As to $\frac{1}{6}$th interest of John Mason / purchase money, £5000, was paid on 12th Sept 1889. As to $\frac{1}{6}$th interest of Charlotte Hilliard / purchase money, £1350, was paid on / 18th June 1888. As to $\frac{1}{6}$th interest of Anne Elizabeth Morris / purchase money, £1200, was paid on 12th June 1888. As to interest of Ernest Robert Pecksley in a moiety of $\frac{1}{6}$ / balance of / purchase money was paid on 3rd Jany 1888, the sum of £400 comprising / mortgage debt of £200. As to John Wyke's interest in a moiety of $\frac{1}{6}$th / purchase money, £500, was paid on 4th May 1887. The purchase money in respect of Edward French's land, / £5000, was paid on 19th Nov. 1888. As to / land of Richard Kinsey Terry / purchase money, £4500, was paid on 24th Oct 1888.

11 The Chairman I want you to make the lands marked blue green and red on this tracing correspond with / lands shown on / plan accompanying my printed papers in this case? / The tracing differs a lot from the plan. The lot marked blue on the tracing corresponds with lot marked 2 on / plan from B to C and D to E? As nearly as I can judge it does.

12 13 The lot marked green on / tracing corresponds with / lot 5 on / plan from G to F? Yes.

J.

13/4

the lot marked red on / plan from J to K ? Yes.

14 In purchasing the land you h referred to in your evidence did that buy / right to / water frontage ? Yes; he bought all / right title and interest o Doyle's trustees, whatever that was; and we found it included / water frontage

16 Whatever right and interest Doyle's trustees / Mrs Reynolds had were purchased by Hill ? Exactly

17 Mr Barrister Are you o yr own knowledge able to say whether / prices you h enumerated were / prices wh were actually paid ? I only go by / deeds

18 Of your own knowledge you cannot say that ? The deeds state that these amounts were paid — there is no doubt that the deed is / very best evidence o the fact — but of course not having be present to see / money paid over I can not actually say o my own knowledge

19 Or, not having be concerned in drawing up / agreement or completing / transfer you cannot speak o yr own knowledge ? Exactly, because these conveyances to Hill and others were in / hands o the solicitor. We simply took / deed and read it; and what was stated there we assumed to be / fact.

20 Is it possible for a price different from / price actually paid to appear on / face o / deed ? Yes, it is quite possible.

1 Is it / practice for such a state o things to take place ? It is not / usually / practice

2 But occasionally it is ? There is no doubt it is done with the intent to hide / consid", perhaps to evade / payment o / claims duly or for some purpose like that.

4

done but it is a most irregular practice and a practice

which is liable to get a man into disgrace. We take /

deeds, we go thro' / title, / we examine them, and see

that / deeds are all correct and / consid= is there. We

do not go any further. We do not make enquiries as

to whether / money was actually paid But there is no

doubt / in a court of law the amount stated in a deed

would be accepted as a fact

1323 Mr Cann Under what Act? Exactly.

h[illegible] hand Resumption—

Monday 21 Jany 1895—

Present

Mr Barrister Mr F. Clarke Mr Cann

E. O'Sullivan Esq in the Chair

George Colquhoun, Crown Solicitor, sworn and examined

1303 The Ch— You are now Crown Solicitor? Yes

4 You were formerly a partner in the firm of Allen & Allen? Yes

1304½ Do you know anything about the case which is referred to this committee? No, except that at / conclusion — in fact, after it was all completed — a reference was made to me as to / interpretation of a minute in regard to / payment of some costs. The costs were claimed by / solicitors for / vendors, and it struck me, on reading / minute that it covered everything; both / compensation money & / costs. I declined to allow / payment of costs without ref[erence] to / memo. I saw / minister, Mr Lyne, on / subject; he said / minute was to cover everything; I do informed my clerk who is present; and that is all I know about it ⊙

Sir Edward George Rae recalled & further examd.

1295 The Chairman We desire to know the price per
acre paid for each Lot of land under consider. by
the Com. ; can you supply the information ? Yes

6 Are you prepared to give the inform. now?
I cannot get the information without going to
Offices

7 Will you at a later stage supply the informa-
tion / form of a schedule ? Yes (vide Appendix -)

8 Can you say now for the information wh is
before you what price was paid by Hill and
others for the whole of the land wh they
purchased in Wood Lane ? The only evidence I
have is that wh was put before the Supreme
Court. It is slightly different from the
ownership of the Chief Justice, but of course
we have to go by the deed.

9 Mr. Hall I think the Chief Justice includes
some costs and fees ? I think he does. According
to the figures noted in the case Hill v. Lyne,
the total amount was £ 25649

1300 The Chairman Can you say whether
it is usual for the cost in purchasing
land, to pay the cost of transfer ? 7

Yes; and I think I may say it is invariably the custom.

1301 Can you say whether in the case of Hill and Rhodes that custom was followed or whether the sale & purchase took place in the office? I cannot say of my own knowledge. I believe there was some arrangement made by each side was to pay its own costs. The pleadings I think will disclose that.

1302 Q. It is the custom for the solicitor who was first employed in the case? I will find out why it was done. — I do not know that the case is settled yet — and suppose the negotiations when & end in the schedule. (Vide Appendix —)

Memorandum.

From Legis: Assembly Office

To The Superintendent
Govt. Printing Office

11th January 1895

Please supply (20) Copies of this evidence as soon as possible.

H. S. Christie
Acting Clerk of Select Committees

W. Bay L. R.

17.

Monday 14 Jan 1895

GOVERNMENT PRINTING OFFICE
14 JAN. 95
SYDNEY.

Present

Mr. J Clarke
Mr Rees
Mr O'Sullivan
Mr Wall

James Morgan Esq in the Chair

William John Wynne Esq a appeared in person
Captain John Jackson made an affirmation examd.

1263 The Chr What position do you hold? I am Manager
of Public Wharves & Reserves Properties

4 You h some knowledge of / income
derived fr / various Govt wharves? Yes. I
h a full knowledge of / income
derived fr all of them.

5 I desire you to give some information
as to the revenue derived from the Govt
property known as Cowper Wharf, W'loo Bay?
For 1894 there was £5,355 - 17 - 2.

6 Was the sum derived from all / wharves
held by / Govt. in W'loo Bay? Yes

7 Can you give / information for 1892, 1893
and 1894? I can give / information

approximately for 1893. 1894 was a very bad year.

1268 How far back can you go? From my books

I can give you / information for 20 years

In 1886, speaking from memory, it was about

£2000; in 1887 it increased gradually.

as there was a large export trade in tubes

from Glasgow.

9 What was it in 1888? It was about £3,000,

and it increased to £6,200 in 1892

10 What was it in 1890 when this land was

resumed? It was about £4,000.

1 It has gradually increased for 1886;

× of course it had increased for many years

previously? Up to last yr. it was gradually

increasing.

2 And last yr there was a ~~slight~~ falling off?

A slight falling off.

3 Mr O'Sullivan What was the coming to? Do

the depression in trade: there is in 100

few imports; and it was hardly coming

to the small imports from America. We had

the San Francisco line & steamers there; & last

year it was very little they brought; in fact

they were not worth anything.

2

12764 How long is it since you took charge of Shaws?

It is 10 years 2 months

5 Can you state what revenue was derived from Shaws at the time you took office? Yes and I can give you the figures for 3 years before I took office. It was £1200

6 And what was it 20 years ago? about £50 a yr.

7 The highest amt. you have received since is £4000?

£6200 in 1892

8 You know the property adjoining this estate and formerly belonging to the Belisario Estate?

Yes

9 Do you consider the property is suitable for construction of shaws? Yes ~~I do~~, very suitable

10 Do you think it will increase in value as a shopping place just as much as the other side has done? I am perfectly sure it will. And, more than that, I am sure that if facilities were given there now it would leave a fair margin on the cost of it.

11 What do you mean by "facilities"? They suppose I think 4 berths there. Those berths for 6 months in 1 yr would not pay anything; but for ~~the~~ six months in

~~a~~ year the public wharves are blocked.

During the wool season, for 3 or 4 months, I
keep a berth to put a Cutter at; but
for the rest six months of the yr. there
are employ-

1282 Your Memorialist (a Native) 60 Tons burthen
will become valuable as a place for
shelter in bad weather? I am sure of it. I have
hardly made any Excursion as a Sportsman
but he will berth his vessels over there next
season and utilise I dare say for shelter in
wet.

3 To what do you attribute the increase in business in
60 Tons during the last 7 or 8 yrs.? There
was a great prejudice to berthing ships
there owing to a shoal; but it has since
been dredged down; and there is now no
difficulty into getting ships to so there: as
are berths there was no other accommodation,
no protection for the small craft were Cutters;
but since I built a creeker an iron fence
round the property and given a certain assur-
ance protection there is no objection to ships lying
there.

1984 Am I to understand from your evidence that Cape Barren is now much in demand for shipment of goods and the embarking of vessels? Yes.

5 And that trade is likely to increase there in future? I have no hesitation in saying I am sure of it. I will mention an instance this year a certain firm has guaranteed to take 70,000 bales of wool alone from Cape Barren. The revenue from the shipments of wool and the tonnage dues will be a large amount; and besides that firm of steamers has guaranteed for both there for next 3 yrs.; and they bring a very large cargo.

6 The American vessels, as a rule, do both there now? Not now; there used now both now at the market St. wharf; in fact cargo they brought became so small that the tonnage & wharfage for a large steamer was not worth over £40

7 Owing to the following off in importations of goods from United States they are bringing in smaller cargoes and it is more economical to berth at market St.? Yes, at the Union Co's wharf.

2355 And <u>using</u> the American steamers the left-hand

bay there is a larger demand for accommodation

there? Yes; a very large demand.

9 Mr Lyne Have you any idea of the frontage

occupied and improved from which you

received the revenue you mentioned? Yes,

about 4000 ft.

10 From which wharf is that? From the Health Office

right round to the south east corner of the

Challis breakwater to Duke St.

1 Did you not receive the revenue of £6200

in 1892 and £4000 in 1890 from

wharfage at the butt of Wharf Bay? Yes;

nothing from the eastern side

2 From what length of wharfage should it

really be practicable to raise did you get that

revenue? About 4000 ft.

3 Is the 4000 ft round the butt of the bay?

It is. The Admiralty wharf is about 650 ft,

then comes another berth of 500 ft; then come

two berths at the jetty; then comes a very

large berth of about 600 ft ~~and there~~

4 That brings it round to the Challis slate?

Yes. There are four large sheds on the

16

Hull
Red Cross

55

1254 The Chairman: Can you say taking the whole of the property as one block what is the whole area?

Answer: Yes. The total area of the whole property allowing it to be one block instead of four is 1 acre 2 roods 30 perches.

Mr Banister: What is the frontage?

Answer: 538 ft 7½ in. and the area 1 acre 2 roods 30 perches.

~~Mr Banister: That comes out in striking contrast to Challis.~~

~~The Chairman said that Mr Lyne desired to supplement his evidence.~~

Mr Lyne: I desire to put in a complete return of the railway contracts settled by other ministers & myself. The reason I put them in is that the return previously put in was not quite complete and I desire to substitute this one for it.

The Chairman: Is there any objection

1256 Mr Banister: Does the original document contain particulars absent from the others. This

Mr Lyne: No. But this contains particulars absent from the others. — appendix 7

~~The document was then admitted~~

~~77~~ Hall Rd. Cmn.

Rolls Disp. 5-36

~~Lostwell~~ Mr Ernest Smith in his evidence as made an explanation of what has been known as Blue's case the figures in connection with which are given on page 40 x In his explanation he made out that by taking Acase to court a saving of nearly £4,000 had been made x Now his statement is inaccurate x The award is shown here as £9639-18-0 x When that award was given the Land valuer if I instructed him to make a settlement if he could if reported to me that he had offered £7,300 to settle the whole thing and he believed he could settle it for £7,500 and that was the point at which Mr Smith stepped in and

60

Pursell v Del Cun

strongly advised taking the case into court. So that the case would have been settled for £7500 instead of £9639 x and the verdict of the jury was £7600 x

1257 (The Chairman: So that had you carried out your valuation? (Witness: No my own valuation but the valuer's x

(The Chairman: If you had carried out that would have been settled for £100 less than the verdict of the jury?

(Yes x

(Mr Baxter: If your idea of settlement had been carried out

61

XA- Wilson 5-X-8
Wilson
Attorney

it wod have been settled
for £100 less than the
verdict of the jury?
answer
(^Yes x

[Sir Lawrence: But
were the Men ready
willing to adopt the
settlement x

(answer: Yes that is
what I have just said x
He told me he believed
£7,500 wod be accepted x
as at that particular
time in Smith stepped
in with a very desire
to take it out of court x

(Sir Lawrence: You
only had an expression
of belief from Mr Walker x
if you had no assurance?
(answer: Practically
he told me
me that in conference

62

7-6 Halsbury 16th ed. cw 60 59

it would be accepted but I have no further comment of the remainder of the case & go to cost × ~~the~~ N— it will be seen in one paragraph on page 36 "The insinuation contained in the paragraph referring to Roberts's case is unworthy — as it is uncalled for × With just as good reason the public I impugn the motives of the writer & the case to be left to the court × where he advises me most specifically that I should no account pay more than £37500 and then just two days afterwards after he had seen M^r M^c Namara he as simply advised me to pay the sum of £40,000 "63

27 Will Sec Rev 1960

Dan Bolan

I wish it to be
understood that in
writing that I was
simply goaded to
reply to insinuations
he had made because
I considered he was far
more open to a charge
of insubordination
than I was. It is to be clearly understood
that I made no charge
nor do I think Mr
M'Namara wd be
capable of anything
improper or dishonest because
I think his instincts are
as honorable as those
of any man I never ×

&

(exclusive
of hyperevidence)

64

15

Woolwich Hall. Sel. 47

Frederick George Rae

sworn and examined.

1237 (The Chairman: What are your duties?

(answer: Surveyor and draughtsman in the Works Department

(The Chairman: You know the measurements of the various pieces of land belonging to Hall & others, at Woodoomooloo Bay & Brown & Mrs Laliff & the Challis estate?

(answer: Yes the whole of the Woolloomooloo Bay resumptions.

9 (The Chairman: You must give us the measurements of the Hall property beginning with No 2 the first piece of property, and giving each of the pieces in rotation (referring to the plan)

(answer: I think there is some crossing of numbers.

40 (The Chairman: You

57

~~42~~ Hall
Fol. con. 48

~~Partners~~
~~Mr Hall~~: That is only
Mr Barling's allegation ×
There are two no 2 blocks ×
~~pieces~~
Hall ~~partners~~ the total
frontage is 303 ft 9½ inches
and the depth on the
southern 265 ft making a
northern 143 ft making a
mean depth of 204 ft ×. The
next property is Labuffs'
the frontage of which is
30 ft; depth southern side
143 ft, northern 132 ft, making
a mean depth of 137 ft 6 in ×
The next is Brown's with a
frontage of that is
15 ft; depth on the south
132 ft, depth on the
northern 127 ft, mean
depth 129 ft 6 in ×. The
next property is Hills'
no 5 block the
frontage being 123 feet,
depth on the south 127 ft,
depth on the north 90 ft, mean
depth 108 ft 6 in ×. Then
there is another piece
52

Mr Hill. Sol. Gen.

Mr Hills land, block no 6
the frontage being 112 ft,
depth on the south 90 ft,
depth on the north 107 ft,
the mean depth being
98 ft 6 in × The next
one is 11 Grades no 7
block the frontage
being 503 feet ×
Mr Clarke: In this
plan the frontage is
given as 510 ft ×
(Witness: Yes but we
to adopted 503 ft
afterwards × The first
measurement was made
by scaling and was done
in a hurry but afterwards
done
it was measured more
carefully & 503 feet was
adopted ×.

3 (The chairman: Not
was what was paid for?
(answer: Yes × The frontage
of 11 Grades land ~~was~~
is 503 feet, depth on

53

South 212 ft × as to the depth on the northern side a difficulty occurs and I do not know exactly how to give it ×

Mr Barker: The best way would be to give the greatest depth ×

[The Chairman: I want you to give the depth in the other cases × the same as in the

Witness: Which do the committee wish me to give? [The Chairman: Whatever Mr Barker thinks is right: What will cover the clearest meaning × [The Chairman: Give the mean depth × [the plan (commutes ^ Mr Barker: The depth at the Northern extremity ^ the back line is 222 ft diminishing there to a point, that ^ northern point

54

H.C. Hall Sol. Con.

being 190 ft from the Southern boundary × of course that 222 ft is taken at an angle ×

Mr Bawden: When dimensioning to the point along the line of frontage of how much?

Answer: I must say about 240 feet approximately ×

Mr Bawden: You took two mean

Yes

Mr Bawden: Give us the mean frontage & the mean depth?

Answer: The mean frontage is 346 ft 6 in but as to the mean depth there is a difficulty in account of it coming to this point but I should take the mean depth we've about 200 ft as nearly as you could get it ×

55

~~LL6~~ Hall. Sd. Com. 52

Surveyor 1250

(The chairman: Is that as near as you can go to the mean depth of frontage?

(Answer: Yes

(Mr Barker: I think it will be shown that two feet × I think we should have the superficial in conjunction with the frontages where area of each block in connection with each frontage? ×

(Answer: Yes: What you want is the area of the land actually reserved × the area of Challis' estate reserved was 1 acre 2 roods 37½ perches; the area of George Hills' first block no 2 was 1 acre 1½ perches 36

May Hall 53

Hall Dublin

and the second block was
perches; Mrs Labiffs land
had an area of 14 perches;
& a Brown's 7 perches;
Bills & others no 5 with
52 12 3ft frontage had an
53 area of 1 rood 2½ perches;
Hall & others no 6 block
1 rood 1 perch; M'Quade's
land had an area of
2 roods 34 perches ×
1 acre

1257 (Mr Clarke: I mean
reference to the mean
depth of M'Quades property
I think the fairest
way to get at the mean
depth is to divide the
frontage into the area?
(answer: yes that is
the fairest way ×
(Mr O Sullivan: (interrupting)
2 reference to that matter
of Cooper's wharf I wd
suggest that a letter from
the treasury wd meet the

~~It~~ 5 Hill Sel. Cas. 54

case and we do not want
another inquiry for it ×
don't think a inquiry is
essential × the evidence
required is important but
not indispensable ×
(Witness (in reply to the last
question of Mr Blake's)
~~Exact~~ ~~Exact~~ ^ the mean
depth ^ would be 147 ft 8 in
or about 148 ft ×
(Mr Barister: To
clear up about the colored
St × Does it embrace the
full width past any
portion of the Hill
property?
Answer: It's full width
is 66 ft till it crosses the
Southern boundary and
then it falls to 38 ft ×

{end break
~~it falls~~ }

58

~~Parl. Hill. Sel. Com.~~ Hill. Sel. Com. 31

GOVERNMENT PRINTING OFFICE
28 DEC. 94

~~Examination of Mr John M'Elhone.~~

John ~~Mr~~ M'Elhone called in ~~not~~ and examined ~~duly sworn.~~

1195 The Chairman: Your name is John M'Elhone?

Witness: Yes.

6 The Chairman: You desire to give some evidence before the committee?

Witness: I was subpoenaed.

7 The Chairman: Have you any knowledge of the resumption of this land in Woolloomooloo Bay?

Witness: What do you mean?

8 The Chairman: The value of it.

Answer: Yes. I have known it since I was a boy.

9 The Chairman: Do you know any circumstances in connection with the resumption of land in Woolloomooloo Bay which would indicate that there was any corruption in connection with the purchase of land or anything ~~he~~ affecting the honor & integrity of the Minister for Works, Mr Lyne?

Answer: None whatever but I think that Mr Hill 1200 was shamefully treated in not getting his money the same as the others.

The Chairman: Do you know of any circumstances which would lead you to the opinion that there was any inducement held out to Mr Lyne to pay Mr Hill this amount.

Answer: I never heard Mr Lyne's name mentioned. I might have blamed Mr Lyne for not giving

35

~~43~~ Hill. Cor. 32

Mr Hill what he was honestly entitled to but as far as corruption is concerned I have never heard Mr Lynes mentioned. I may have spoken strongly as a rule I generally do.

Mr Barrister: If it has been asserted that you have at any time stated to persons that improper transactions had taken place in this regard to this matter, is that true?

Answer: I have never said that or mentioned Mr Lynes name. I don't think I mentioned Mr Lynes name.

50 51 Mr Barrister: I will repeat my question.

If it is asserted by other persons that you said that wrong transactions took place in this matter and that improper consideration was given to Mr Hill in this matter, is that correct?

Answer: No. I have always said, & always will say, that Mr Hill was robbed.

Says so now has been

4 Mr Clarke. Do you think that the value of £145 per foot that was allowed to Mr Hill and others for this property was too little.

Answer: You have to look at all the circumstances. When Mr Hill was paid the money he was forced to take it. You could not value it now. At the time the previous Govt of Sir Henry Parkes resumed the land, there was a boom on and everybody was mad in buying it. There was land sold to Mr Morris for £13,500 by auction & Mr Morris sold the land for almost £25,000 for the bare land. It was the same with other land.

(1 J. follows book)

36

~~H 2~~

~~J K~~ Hall Sel. Com. 33

Sullivan M.D.

£160 per foot was bid for a frontage
round the Bay × 3 rods of land
in Castlereagh St that ought
£250 per foot for when you
cd not get £50 now ×

1205 [The chairman: Was
that about the time this
land was resumed?

[answer: yes × at the same
time Dr Morris × bought
land for £3,500 with a
public house and ~~to~~ other
buildings upon it and
sold it the bare land for
£25,000 to some of the
keenest business men in
Sydney × now yr cd not
get £25 a foot for it × It
is just like ~~speculating~~
buying mining shares ×

[Mr O'Sullivan: What
do you mean when yr say
that Mr Tyrie robbed Mr
Hill?

[answer: I say the Govt did +
not Mr Tyrie + in not

37

Hull Sel. Com
paying him the value x Mr
Hull ought to have got the
valuation the Govt put upon
it x Challes' estate was valued
at £192 per foot and they
got their money x Mrs Laliff
had 30 ft frontage with not
half the depth and she got
£150 per foot less 10 per
cent x I have heard since
enquiring that Mr M'Gillan
had issued an order to
pay Mr Hill the money x
I think Mr Hill ought to
have got the same (as Mr Hill's)
Challis x I think this
land is better x It is
deeper water x Challis'
land is near the sewer x
there is mine water at
Mr Hills land than at
the other place x
(Mr O'Sullivan: You
live on the 1207 heights above
the land?
Answer: yes
(Mr O'Sullivan: I
presume that every day
387

R.B. / Hall. Sel. Com 35

Trade

Have an opportunity of seeing the progress made at the wharves?

Answer: Yes

Mr O'Sullivan: What change has taken place during the last five or six years in the matter of shipping & trade?

Answer: I have already said that the Govt erected wharves and stores were erected by Brown & Co × where is an enormous trade done in wool × ~~Moore~~ More wool is shipped from here than from any wharf in Sydney × I know it because I trade in × tides, ete × the Government must obtain a large revenue from this source ×

10 Mr O'Sullivan: Are there ships?

Answer: Yes the American mail steamers and there is always one or more large sailing ships there ×

39

~~K.O.T.~~ Hobbs Sel. Com. 36.

Mr O'Sullivan: Has an increase of trade taken place since Hall & Co ought land here in 1889?

Answer: Certainly because prior to that trade was hardly a ship went there at all. ×

13 Mr O'Sullivan: Did the increase in the trade and the larger utilisation of the wharves justify the increase in value?

Answer: You can hardly tell: there was a land boom as just like a mania. ×

14 Mr O'Sullivan: Have allowances for making all that did you say that increased shipping trade had justified the increase in the value of the land?

Answer: I dust say — that × people must have thought

40

~~R 25~~ Hall. Sel. Com. 37

Land was worth what they were giving for it or they would not have given it. I am speaking of private people. In some case the value of land was quadrupled and you cd never tell you cannot account for it any more than for a mining boom. People were mad at the time with a mania for buying land. I cd not say now what the present increase is but I know that Hulls' land & Challes' is much better for wool than the present wharves. The present wharf is on the west side of Challes' & Hulls' land and is on the ~~western~~ side at a higher level than the land on the Western side (4)

and where they have to
left the stuff at the present
what they c'd shoot it
in the bush from the other
peace × Were we not be
are half the handling ×
take the case of Woods' stores ×
they shoot the wool in
from here. but at Hill
Clark & Co's stores they
have to left it into the
bush in machinery ×
1215 Two o'Sullivan: Do
you care to give an opinion
of the land values
there? (answer: At the present
time you c'd not value
it × I forgot to say that
Mr Waller, a Government
officer, came to
hand to ask my opinion ×
I told him that the
thing was dead and
to go to Mr Pyne and
tell him he was making

42

a fool of himself × I told
him that there was no
valuation now × I took
upon Mr Waller's valuation
as valueless because it
was made five years after
the land had been resumed ×
[w type: what was
1216 with reference to M'Wade?
answer: yes: I said that
at the time the Govt
valued the land the
Govt was on × I thought
it unfair to value the
land after the demand had
diminished × I pointed
this out to Mr Waller and
said "this is a farce"
because the Govt made
the value of the land
by putting the price
of £175 per foot on
Challes' land and
keeping us Laniff £150
per foot × I told Mr
Waller that it was no

Hall & Co. Can. 40

use his valuing the
land after that fact ×
the Govt made this value
by saying those prices &
I said "it is only a farce
valuing it now" × I
built no houses since annually
& sold £790 rent × for
them but now I cannot
set the rates of taxes although
I paid £11,000 to build
them × Hill & Co's land
was quite as valuable as
Hall's and infinitely more
valuable than Mr Laliff's ×
if they wanted to build
a wool store as I pointed
out where the stuff could be
tumbled into the ship
instead of it being necessary
to lift it as now × I
two men could do the work
men that ten do now
I know as it is deeper water because
I have sworn over it
hundreds of time ×
~~and back~~
~~12 fathom~~ } 44

Hall Sel. Com VII 41

K 1.

Drew Shorter

Mr Barister: In reply to a question you
said that Lahiffs land had not half the
depth of Hills?

Answer: I am speaking from memory.

Mr Barister: You did not state that as a
positive fact? Answer: No I only recollect the plan
that Mr Waller brought me.

The witness then examined the plan which
was handed to him.

Mr Barister: Do you see that Lahiffs
property does back on to and have access to Victoria St?

Answer: I see it does.

Mr Barister: Then you made a mistake?

Answer: I thought that was the line there (pointing to the map);
but it is only 30 ft. I recollect that I was a
witness for Brown who had 15 ft adjoining his
Lahiffs property and he got £150 a foot for it.

Mr Barister: You made reference to shares?

Answer: Yes.

Mr Barister: When where they constructed?

Answer: In the last 6 or 7 years.

Mr Barister: Before the end of 1889?

Answer: I have not paid much attention
to it. I say that there was not much use made
of them. I am speaking of the time before
Mailler brought the wool trade there. When he
leased it or they established a large trade there
and shipped 50,000 or 60,000 bales of wool a year.

43

* Hill Sel. Com. 42
Kr 2. Structure Return

There was the Gulf Line of steamers and an enormous quantity of hides & tallow, but I was stopped cannot state the quantity. I should imagine that there was at least 60,000 bales of wood a year shipped.

Mr Bavister: In answering that question as to the value of the land did not you say that the greater increase was owing to the construction of the wharves?

Answer: I cannot say that. It might have been so though.

Mr Bavister: I think the evidence will more fully show that it is not a matter of opinion as to your having said that.

Answer: It very likely would increase the value.

Mr Lyne: Do you think that I made a good settlement as far as the country was concerned in M'Quade's property?

Answer: Well M'Quade's property is in a different position to Hill's + It is triangular

Mr Lyne: It is not triangular but it has a long frontage.

Witness: It has not the depth of your land.

Have no access to it.

(Adjournment)

46

Pl. 1272

Mr Lyne: all I want to know is your opinion in as plain a setting as at the price (£86 per foot)?

Answer: I think so. I said I believed the had been robbed by the action of the Govt in not paying him the same money the other people were paid ×

Mr Lyne: Do you think that when a case of this kind goes to a crown solicitor's office and either he minutes or the cabinet think that the country will lose money by letting it so to court, that they shd allow the crown solicitor to deal with it?

Answer: If I had been in your place the crown solicitor wd have gone out of his office or I wd have gone out 47

of mine
of ~~Poole~~ ^ × I wd not let any
crown solicitor interfere
with any official interfered
with me he wd either
leave or I would × I have
taken a lot of interest
in this case because
in Hull is one of the
greatest friends I have
had in the world ×

1230 (Mr Lyne: Do you
know of any feeling
existed between Mr Robert
Smith the acting crown
solicitor and in Hull?
(answer: I fancy there was
a private matter ×

(Mr Lyne: Do you
think that a good bargain
was made for the county
in settling the whole of
the frontage for £145 a
foot?
(answer: That is only a
matter of opinion × If
the Govt wanted the
land it was, because

Hall. Sol. Gen. 45

Churchill had a very large shipping trade & instead of paying the Govt for accommodation as new he would have been better off in having a wharf of his own (Mr Lyne: I mean in comparison with properties of Challis, Lahuff & Brown?. Answer: It wd not stand argument × if ~~then~~ he got it I think Mr Hill has been badly treated × whatever Challis' is worth Mr Hill's is worth and by paying that money Mr Hill's is worth as much ×

Mr Barister: Reference to the fact that there is better access obtainable to Hills property than to Lahuff's & Brown's × in connection with that does evidence that entitle

49

the full width along any portion of the Hill property?

Answer: Yes it does

(Mr Barker: 1234

"This plan is correct?

Answer: There has been a lot of filling in since the Govt. leased and I can hardly tell where the boundaries are ×

(Mr Barker: Perhaps I will be able to get it out of some other witness. 5

(Mr Barker: There was a lot of filling in and there has been a road made since & the property was sold ×

(Mr O'Sullivan: Did they ever resume any land to make it wider?

Answer: I do not think so: I think they took their own land ×

{conclusion of evidence} {Add Weaker} {At follows}

50

L

13

Cullen Taylor

4

James Bamford Thompson called in sworn and examined.

1083 Chairman. What are you ? I am the Government Valuator.

4 Employed in the Works department ? Yes.

5 Were you one of those who valued the property of Hill & others in Woolloomooloo Bay ? Yes.

6 You valued it with Richardson & Wrench, and Mills and Pile ? Yes.

7 Did not Mr Wilson value ? No, not with us.

8 When did you value the property first ? I made a preliminary estimate in December 1889.

9 Alone ? Yes.

Wht did you value the property at then ? The whole property.

90 Yes ? -- At £80 per foot.

1 At that time *a* ~~the~~ portion of the land was presumed to have no water frontage ? Yes.

2 How much of the land - do you remember what portion ? I think blocks 5 and 6.

3 I believe blocks Nos 5 and 6 were without any great depth ? They had not any very great depth.

4

add Hill Sel. Com.

1

~~Continuation of mr J. B. Thompson's evidence.~~

A1. Mashon Powers

1094 The Chairman : What would be the average depth ?

Answer : It would not average more than 25 ft in depth . That is the part cut off from the water.

5 The Chairman : It was discovered afterwards that that

Answer : ~~after~~ that portion had a water frontage ~~of~~ Answer: I dont but I ~~was not~~ have no knowledge of it. I dont think I had any personal knowledge of that.

The Chairman : That I was after Love you valued it . You were not aware it was afterwards discovered that it had a water frontage.

Answer : I heard about it

7 The Chairman : You afterwards valued it with Mills & Pile & Richardson? Wreck.

Answer : Yes Sir I did.

~~A.~~

1098 The Chairman: Did you value the whole of it then.

Answer: I valued the whole of it I think.

9 The Chairman: are you sure you valued the whole of it.

~~H.O.~~ Answer: No ~~H.O.~~. It was irrespective of the water frontage.

1100 The Chairman: What property did you value with Mills & Pile and Richardson & Wrench.

Answer: That part of it above the original water frontage.

1 The Chairman: What block was it No 2.

Answer: I valued the whole of the properties.

2 The Chairman: You valued the whole of them.

Answer. Yes ~~H.O.~~. I am speaking of the Hill properties. We valued the whole of them.

3 The Chairman: what value did you put upon the whole of the land per foot.

Answer: £175 per foot less 10 per cent allowed for sale.

6

~~43~~ Hall Sd Com

Lawson Cross 3

1104 The Chairman: Did you afterwards withdraw that valuation.

Answer: No it was never withdrawn to my knowledge.

5 The Chairman: Did you ~~afterwards~~ write a letter which you will find on page 12.

Answer: Yes I did but that was not withdrawing the value. I don't think it ever was withdrawn. I wrote that letter.

6 The Chairman: In there, there is a paragraph, — paragraph No. three as follows:- "The valuators appointed by passed the value of this & other resumptions in the same locality — Richardson & Wrench, Mills, Pile & Wilson, & myself - agreed to a report in each of the claims mentioned in the preceding paragraph that the value of the fee-simple of the portion of land in question was £58,447-16-3. I concurred in this valuation, though so greatly in excess of my own ideas, out of deference to the opinions of the other joint valuators." ~~"out of deference"~~ What do you mean by "out of deference to the other joint valuators"? Did they induce you in any way to agree with them?

Hull Sel. Com.

~~44~~

Answer: No, except by argument. I deferred to their long experience and my high opinion of their conscientious dealings with them. In fact I thought they were better able to judge wharf property than myself being auctioneers who had been long established and men of high character.

1107 The Chairman: Did you know that they had long experience in wharf properties

Answer: Yes.

8 The Chairman: Did you in the letter Lold the opinion had £175 per foot was an excessive value.

Answer: I always thought it very high and do still. My own idea of the value is set out in this paper.

9 The Chairman: In valuing property of this kind on what basis do you start.

Answer: By comparing similar properties — by comparing the valuation of similar properties & searching for the papers in the registrar general's Office.

Hall Sol. Cam

Scales v. Pickard 5

Ans

1110 The Chairman: Did you take into consideration in giving the value of £175 per foot, any other lands in the vicinity of ~~the~~ the Hill & Akers' properties.

Answer: Oh no, not in the immediate neighborhood. We compared it with city wharfage property.

11 The Chairman: You did not take into consideration the £175 given for the Challis property.

Answer: That was more valuable.

12 The Chairman: Did you take into consideration the price paid for J. A Brown's property.

Answer: That was done at the same time. It was valued at the same time — I believe it was. It is so long ago that I cannot remember the facts very well but I think it was all done at the one valuation.

13 The Chairman: One valuation was made for all the properties

Answer: Yes at the same time

14. The Chairman: What valuation did you place on J. A. Brown's property. I concurred with the other valuators.

~~15~~

11 15 The Chairman: Was that £175 per foot.

Answer: I dont remember.

The witness was handed a paper to refresh his memory. After examining the document the witness said, "Yes £175 per foot"!

16 The Chairman: That was Brown's property.

Answer: Yes

1117 The Chairman: What was the size of it.

Answer: It was only 15 ft frontage.

~~(B / bottom back)~~

B#1 Hull Sel. Com

Traders Exch

7

(The Chairman: Do you remember what the depth was?

(Answer: About 120 feet

19 (The Chairman: There were buildings on it?

(Answer: Yes×

20 (The Chairman: You valued Mrs Lahiffs property at the same time?

(Answer: Yes×

(The Chairman: What value did you place upon that?

(Answer: £150 per foot× There were 30 feet frontage×

~~(The Chairman: There~~ were your valuations made by yourself and / firms mentioned?

(Answer Yes×

2 (The Chairman: What was the depth?

(Answer: About the same as Brown's× It was adjoining× The depth was about 120 ft // or 130 ft×

B/A Hall Sel. Com

8

1123 (Mr chairman: These were
your valuations made by
yourself and the firms mentioned
(Answer: Yes ×

4 (Mr chairman: Is the
reason why you valued it
first at £80 per foot all
round, and afterwards
agreed that £175 per foot
was a fair price, that ~~you~~
they had greater experience
of valuing wharf property
than you had?
(Answer: Yes

5 (Mr chairman: And
you thoroughly relied on
them as men capable of
valuing properties?
(Answer: Yes × I had most
implicit confidence both
in their ability & integrity ×

6 (Mr chairman: These
original valuations of yours
and then these by your
and the firms mentioned were

12

Hill Sel. Com

B3 / afterwards submitted to the Crown solicitor ?

Answer: Yes I believe they were ×

1127 6 (The chairman: What for: Why were they submitted ?

Answer: To investigate the title × They always are referred to him to investigate the title ×

8 (The Chairman: In the fourth paragraph of your letter you say that by reason of the papers Mr Robert Smith came to the conclusion that the land was very much over-valued?

Answer: Yes ×

9 (The Chairman: Was Mr Robert Smith a judge of the value of property ?

Answer: No: he formed his opinion on the researches he ~~had~~ made and a

By Hall Sel. Com 10

previous valuation by Richard-
son & Wrench ×

(The Chairman: You
see it was in the 6th
paragraph of the proofs of
which I have ~~membered as having~~

1130 (The Chairman: You
see the sixth paragraph of
yr letter?

(answer: Yes ×

(The Chairman: Can
you say that after the
careful examination of the
proofs adduced and the
consideration of his
reasons for arriving at ~~that~~
the conclusion ventured,
you agreed therewith and ~~was~~
was surprised that under
the circumstances no other
opinion was possible?

(answer: Yes ×

(The Chairman: What

14

was the reason addduced
by Mr Robert Smith to make
him agree with him?
Answer: That the land
in 1886 had been valued?
at £8,000 and I did not
think it was possible that
the value cd have increased
to that extent in the time
that had intervened that is
in six years although
there is no doubt it had
increased very much but
I did not think to that
extent x

1133 (The chairman: Was
that the only reason why
you agreed with Mr Robert
Smith in his valuation?
Answer: It was not
Mr Smith's: it was
Richardson & Wrench's x

4 (The chairman: Was
that the only reason that
made you agree with

Hall. Sel Com 12

Mr Robert Smith that the property had been over valued?

Answer: Yes: I think so × I always thought it was capable of explanation although I could not understand it ×

1135 (The chairman: You say "the price paid by Hall & others for the interests in the property is furnished by the annexed list" × What appears to be the reasons for ~~that~~ because they had paid a low price?

Answer: Yes that is one reason ~~also~~ but not a very powerful one × The principal reason is that sworn & valuations put in five years before for £8000 × These were the facts that Mr Robert Smith acquainted me with & I thought it was my duty to bring it before the minister ×

Hall. Sel. Com. 13

B3

Coffin
Ridd 1136

(The chairman: What was the boom that about the boom was true?

(answer: I think it was true.×

7 (The chairman: It was pretty high at that time?

(answer: not at the time it was valued at £8,000. What was before the boom was true.×

8 (The chairman: What was before the boom?

(answer: The boom was between 1888 & 1889.×

9 (The chairman: Are you aware of any properties that increased to any very large extent in price about that time?

(answer: In yes there was one increase by very much

17

~~B~~ Bell. Sel. Com. 14

per cent or by hundreds per cent ×

1140 (The chairman: hundreds?

(answer: yes no doubt about that ~~that~~ true, although it is a very difficult thing to have any accurate data upon × Even out in the suburbs (and almost the suburbs (and almost in the suburbs) that we are working before long I have seen worthless land at £10 per acre ^ not very long before I have seen sold at £20 per foot ×

(The chairman: So it wd not surprise you to find that (and had sine ub from £20 ^ (twenty) per foot to £150 per foot?

(answer: It wd not × I have seen cases as remarkable as that ×

~~and treak~~
~~C follows~~) 18

Hell. Sel. Com
15th
Mr. Bartell
Mr. Bayard

1142 The Chairman: In 1886, when that valuation ~~was~~ of £8000 was made was land sought for about Woolloomooloo Bay?

Answer: I don't think so.

3 The Chairman: Was there any demand for it?

Answer: I don't think so. In fact it was land, there was not likely to be any demand for because of the water frontage— the water was not sufficiently deep

4 The Chairman: In 1889 when the land was resumed was there any demand ther for land in Woolloomooloo Bay.?

Answer: It was better certainly but I don't think it was very great even at that time because the water frontage was not valuable for shipping. The soundings were very shallow.

5 The Chairman: That could have been made good land by dredging it?

Answer: Oh yes but I would not say as good as land at Circular Quay but almost as good as Darling Harbour. It could be made of immense value.

1146 The Chairman: Do you know of land belonging to Dr Morris in Woolloomooloo Bay?

Answer: No I do not.

7 The Chairman: Would you be surprised to hear that Dr Morris paid £3500 for some land which he sold in 1888 for £21,000?

Answer: Not a bit surprised. I know of similar cases.

8 The Chairman: Would you be surprised to know that in 1890, £27,000 was asked for it?

Answer: I would not be surprised at him asking a million for it.

9 The Chairman: If Mr Hill had paid £5 per foot for his land when he purchased it would that be any reason for you to base your valuation upon the value of this property in 1889?

Answer: No it would not.

(Questions answered)

Bryant Hall Sel. Com.
Ellis Pier
No 17

It wd be impossible to base it at a very low value like that, the difference there was no doubt × would be as to the amount of increment × that are there is

1150 (The chairman: Was an estimate made of the value of the land by the owner's solicitor?

(answer: Yes I think so × I think I did see one ×

(The Chairman: Look at paragraph 7 ^ × (seven) you see the estimate of the value of the land by the owner's solicitor is £18,000 or less?

(answer: Yes, sir ×

(The chairman: Was Robert Smith made that valuation himself?

(answer: I think so × 21

1153 Chairman: Upon what?

Answer: I do not know x

4 Chairman: Was he a judge of the value of land?

Answer: I think so x He had a great many transactions in land x I think he had something to do with Darling Harbour x

5 Chairman: Is it any part of his duties as Ranger of Crown Lands to estimate the value of land?

Answer: No; I think that is beyond his province altogether x

6 Mr Baxter: The Government officer can hardly say what are the duties of another Government officer x

22

(The Chairman: If you object to the question I will not have it put ×

(Mr Barrister: No: I do not object: Let it stand ×

(Mr O'Sullivan: (to witness) I gather from yr letter that you agreed with Richardson & Wrench at first as to the valuation placed upon the property? Yes ×

(Answer:

(Mr O'Sullivan: But then having some misgivings owing to information brought under your notice by Mr Robert Smith you changed yr opinion as to the valuation?

(Answer: No I brought the case before Committee I do not know that I changed my opinion × I thought it was an extraordinary valuation × I did all along × 25

~~D 4~~ Mr Fel cm 20

1161 Mr O'Sullivan: Richards & Wrench & Mills & Nile are considered to be competent and reliable ~~auctioneers~~ valuators?

Answer: Yes

Mr O'Sullivan: Do you not think that they wd be aware of the price given ~~to~~ for the land before they wd give the valuation?

Answer: I wd think so x

3 Mr O'Sullivan: Your chief reason for having misgivings that you thought it proper to lay before the minister wds the fact that Robert Smith had ~~an~~ option under which the land had been valued at ~~cost~~ £8,000 only?

Answer: Yes x

4 Mr O'Sullivan: And

24

Ds Hill Del. Com

that was five years before?.

Answer: Yes ×

Q: Were you aware that during
that five years very great
changes had taken place
with regard to Woolloomooloo
Bay in the matter of
shipping?

Answer: Yes there had been × The Prince's Wharf and used Cowper's Wharf and there was a lot of traffic from it ×

~~and breath~~
~~of Sullivan~~

E. A. Hill Sel. Com 22

1164 Mr O'Sullivan: were there any large ocean cargo boats?

Answer: Yes.

4 Mr O'Sullivan: And timber boats?

Answer: I cannot say much about that but that is my impression.

8 Mr O'Sullivan: The reason I ask you is that Mr Gregg in his letter (3-1092) says ~~referred to~~: — "That until a few years ago that portion (Woolloomooloo Bay) of the city was almost neglected by capitalists — practically the whole place was dormant. An activity arose in the way of demand for lands there under the belief that the early future would discover for it an important & valuable use; the comparative smallness of the available area, its proximity to the city and the suggested railway connection together with a measure of patronage of large ocean-going vessels & others of smaller ~~size~~ style, all tended to awaken an interest & enhance value." Do you think that a correct statement.]

49 50

26

Hall. Sel. Com 23

Mon Dublin

Answer: Yes I think it is perfectly correct.

1169 Mr O'Sullivan. From your knowledge of the change which has taken place in regard to shipping is he borne out by fact?

Answer: I think so.

Mr O'Sullivan. I notice that you suggested to the Minister that a board should be appointed consisting of Mr Powell, Collector of Customs; Capt Jackson, Mr C. W. Darley, Mr Houston and the acting Crown Solicitor?

Answer: Yes.

Mr O'Sullivan: You suggested that that board should be appointed to advise ~~him~~ revise the valuation.

Answer: Yes.

2 Mr O'Sullivan: Was that board appointed?

Answer: Hones approved of but never appointed. The gentlemen consented to act but never did

3 Mr O'Sullivan: Did any change of Goat take place? Answer: I don't think so. I don't think that was the cause of it

Mr O'Sullivan: Mr Bruce Smith approved of the ~~idea~~ suggestion but the idea of an independent board was never carried out?

Answer: No

27

~~Mr Houston~~

~~Ist~~ Hall-Sel. Com. Oct 24

1175

Mr Robert Smith called to object to H. Board?
Mr Robert Smith called, acting crown solicitor to object to H. Board?

Answer: ~~He suggested~~ Mr Marshall suggested it ×

6 E. A. Mr Robert Smith crown solicitor to this board?
E. A. Mr Robert Smith acting crown solicitor to this board?

Answer: I do not know ×

7 Mr O'Sullivan: Then you cannot say the board was not appointed and why it did not carry out the objects ∇ which had been suggested?
Mr O'Sullivan: Then you cannot say the board was not appointed and why it did not carry out the objects ∇ which had been suggested?

Answer: I cannot: Mr Robert Smith was chairman & conveyancer of it × May never meet ×

8 Mr O'Sullivan: I would like to ask you as an experienced valuator do you think that the land belonging to Mr Challis

Estate, Hill Belasario & others,
& the Lands under review have
been benefitted largely by
the shipping trade and would
would they in the course of
time be utilised as sites
for wharves?
Answer: I think so. I think
that inevitable the increase
of wharves must increase the
value of property. x

(Mr O'Sullivan: You
think it likely that the
land now under discussion
would have been brought into
use as ~~wharf~~ sites for
a wharf?
Answer: Undoubtedly: that
is by improving
deepening it x

(Mr O'Sullivan: You
think that the probability
of this had some influence
upon the very large increase
in the value?
Answer: I think it very likely x

29

~~Hill~~ Hill Del. Cm. 26

I am sure it weighed with
Mr Gregg ×

1181 Cl. to Sullivan: Mr
Gregg who represents Richardson
& Wrench is a gentleman of
experience in valuing?
answer: Yes ×

2 Cl. to Sullivan: Mr
firm has a prestige as correct
valuers?
answer: yes very high ×

3 Cl. to Sullivan: The
same remarks apply to
Mills Pile & Co?
answer: Yes

4 Cl. to Sullivan: allowing
for their competence can
you assign any reason why
you should have used
misgivings after forms like
that had made the
valuation and placed
their stipulations at stake?.
answer: I do not attach
unwavering confidence to

30

Feb 1 Hull. Ld. Can. 27

any valuation even from Richardson & Wrench's × I have seen them very far out at times × I believe they are improperly low and the most competent men to be had in the city ×, and yet Mr O'Sullivan! think that on this occasion they may have made an error of judgment × 2

(Mr Bannister: I think they took an extravagant view! I think that is my the value × Mat is my idea ×

(Mr Bannister: May I remember Mr Chairman that I wanted to ascertain something as to the depths of the properties × I think we can get them from the witnesses × What is the depth of the properties described as being those of Hull & Otters?

(The Chairman: I understand that Mr Rae has the 3/

Hill. Sd. Com 28

whole information having
meaned them × wd you
not better mean Mr Rae ×
Barister: I would be
quite satisfied to set
Mr Rae ×
from

~~end book~~
~~I follows~~

1188

Witness: Mr Rae would be more reliable.

Mr Rae: ~~Any measurements are within a foot or so.~~

1189 The Chairman to Mr Barrister: I would like you to be satisfied with Mr Rae's evidence.

~~Mr Barrister. Yes.~~

1189 Re Chairman to witness: I would like to ask you, when you first valued this land in 1889, you had no water frontage, it being afterwards found that these two blocks had water frontage — do you think that the sum paid by the Dock Co of £145 per foot was an Excessive price.

Answer: I would not like to give any opinion on that. I know it was enormously increased in value. It was as valuable as any other part of the property, when the water frontage was secured.

90 The Chairman: When the water frontage was secured for blocks Nos 5 & 6 it became as valuable as any other?

Answer: Yes, because this is a land does not want any great depth for warehouses.]

(J. H. Hillas (retd)

1191 Mr Lyne: as to this letter
~~to this~~ on page 12 did
Mr Robert Smith bring it
scarcely like to call it
emphatic but was he
premier ~~A~~ emphatic that you should
write such a letter?
answer: No: he smiled
out of the facts × of
course he is always
emphatic but he did
not bring any pressure to bear ×
2 Mr Lyne: He was
emphatic?
Answer: Yes ×
3 Mr Lyne: and
he suggested the board?
Answer: Yes ×
4 Mr Lyne: That
interview took place in
the undersecretary's office?
Answer: No in his own
office × 34
(~~Handwriting of Mr Thompson evidence~~)

Memorandum.

28th Nov. 1894

From Legis: Assembly Office To the Superintendent Govt Printing Office

Please supply (20 Copies) of the enclosure as soon as possible, Mr Lynch M.P. is anxious to obtain a copy.

H. J. Christie

12

GOVERNMENT PRINTING OFFICE
28 DEC 94
SYDNEY.

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

ON THE

WOOLLOOMOOLOO BAY LAND RESUMPTIONS

Friday Dec 21, 1894

P r e s e n t

Mr J Morgan — Mr O' Sullivan

Mr F. Clarke

J. Morgan, Esq in the Chair.

W. J. Lyne, Esq appeared in Person.

1061 Richard Newman Sheridan called in sworn and examined.

1060 Chairman. You are manager of the Bathurst St branch of the bank of New South Wales ? I am.

You ~~sold~~ held a mortgage over some property owned by Hill & others at Woolloomooloo Bay ? We did.

To a large extent I believe ? Yes .

Did you at any time see Mr Lyne in the works department with a view of getting them to settle the matter with George Hill and others ? Thefirst time I ever spoke to Mr Lyne in my life to my knowledge was yesterday morning down stairs when you were there.

You waited upon the works department ? Yes, upon one occasion.

For what purpose ? To see that the matterwas settled to confirm the acceptance of the terms.

Watt Merchant

1066 Who was present ? Mr Bellisario went with me, Mr Barling and a clerk in the office were the others present. There were 4 of us in the office at the time.

7 Were you desirous of having a settlement in the matter ? I was

8 Were you at any time pressing Hill & the óther parties ? I had been pressing them for a considerable time previous; in fact we insisted on a settlement. It was a matter of indi fference to us whether Hill & Bellisario accepted the offer of the Government or not so long as they paid us the amount due. We wanted the amount they owed the bank paid. Of course when they paid us that amount we had no further claim on them.

9 You were insisting upon that amount being paid ? We were. We declined to allow it to go on any longer.

10 Would you have taken any action if it had not been settled then ? It would be for my board of diretors to say what action should be taken. My instructions were that the matter was to be settled.

From the board of directors ? From the general manager.

1 MrO'Sullivan. You were the gentleman who waited on the works department with Mr Bellisario to settle the matter with Mr Barling ? To confirm the statement that Mr Bellisario had made to me. He was there, I understood to accept the terms of the Government.

3 Did you think Mr Bellisario was only putting you off when he ~~had~~ made the statement he ~~had made~~ said ? I had heard so many statements about settlement about one thing and another that

Merchant Cutlers

I wished the last statement confirmed.

1074 And you attended at the Works Department to have the information direct from the Under secretary ? Yes .

5 What did Mr Barling say to you ? He stated that the Government had offered £145 per foot, and that they would not settle on any other terms, that they would not increase it or do anything else. Mr Belisario said he had accepted that offer. Mr Barling then said that he had received no official confirmation of it from them and Mr Belisario again stated that he accepted ~~the offer~~ on behalf of himself and partners the terms offered.

6 Mr Clarke. You say your bank held a mortgage over the property ? Yes.

7 Would you mind telling the amount Hill & others owed the Bank ? I could not say at this moment the exact amount but I think that it was about £42,000.

8 That was the joint account of the firm ? Yes.

9 Mr Lyne. Did you give instructions that notice should be given to the Works Department to pay to your bank any money which might be due to Hill and others ? Yes.

80 That was done through your instructions ? Yes.

1 Did you refuse money to Hill & Belisario to carry on the case further ? I did.

~~You said they would have to get the money elsewhere~~

2 They had to get the money elsewhere ? They had.

3

Dawn Macdonald (11)

p. 44 p. 45

Edward Henry Belisario called in,, sworn and examined.

969 CHairman. You are one of the parties interested in theresumption of land A t Woolloomooloo Bay ? Yes

70 You wereinterested with Hill and others ? Yes.

1 Did you take an active part in gettinga settlement of the cass ? Yes.

2 I believe there were 4 persons interested in your land ? Yes, George Hill, Daniel Sheehy, Thomas Batty and myself.

3 I believe the matter of settlement was left in your hands and in MrHill s - you did not all take an equal share in it ? Mr Hill & I had the whole business in our hands, the other partners took no active part whatever.

4 You are aware ~~of~~ that the final settlement was made for £145 per foot ? Yes.

5 Did you take any active part in getting the settlement? Yes, I virtua ly made the settlement.

6 Wth Mr Hill ? By myself with the bank manager.

7 What bank manager ? Mr ~~Sh~~ Sheridan the manager of the bank ofNew South Wales in Bathirst St.

8 Did you consult Mr Hill in any way before making a ~~settle gmt~~ settlement in this matter - had you an

24

Macdonald Barley

equal right with him to deal with it ? We had equal rights.

919 Finally I supposs you had to submit this officoffer of settlement to the other partners ? The other partners were perfectly agreeable to do what Mr Hil' and I agreed to.

Mr Lee. In bringing this matter to asettlement had you occasion to have any interviews with Mr Lyne the late Secretary for Public Works ? I had many interview with him

Do you know him personally ? Well.

Can you fix the date of the interview with him at which you finally fixed upon 4 the amount you would accept ? I did not see Mr Lyne at all on that occasion. Sees her Barley.

You cannot tell us the date ? I could not say from memory. but it was during the first week in March as far as my recollection serves me.

That was the final interview ? The final intrview.

What amount did you agree to accept ? £145 per foot. Mr Sheridan was present, I took him up with me.

What price were you asking in the month of January of this year ? I couldnot be certain, but I fancy it was £135 per foot - something like that.

Did you have an interv ew with Mr Lyne about this matter

in ,nuary ? I cannot be certain ~~as~~ about the month. I had a good many interviews with him.

98 You do not remember any particular interview in January? I cannot speak as to any particular interview, but there is no doubt that I saw him in January and February also.

99 Did he lead you to suppose that he was going to settle this matter himself ? It never entered my head that he could settle it if he wanted to.

100 Did he ever say that he could not settle the matter without submitting it to the cabinet ? Yes, he told me that the matter would have to be submitted to the cabinet.

101 Was any pressure brought to bear upon you by Mr Lyne to get the matter settled ? By the Bank of New South Wales you mean.

102 I am speaking of Mr Lyne ? What do you mean by pressure.

103 Any pressure ? Well there was this pressure ~~of~~ that he knew the bank was worrying us, and I daresay he thought it a favorable opportunity to get us to take a reduced figure, to bring it down as low as he cd. It was Hobson's choice with us.

104 Did you and Mr Hill together or separately wait upon Mr Lyne at any time when there was a vote of censure pending

against the Government of which he was a member ? No, I do not think so.

993 You did not attempt to bring any pressure to bear upon Mr Lyne as a minister at that time ? I should ~~think~~ hope I had more sense - it is not very likely that I should attempt such a thing.

6 You did not do so ? ~~I did you~~ ? Most certainly not

7 Do you know many members of parliament ? A good many.

Did you require the services of any member to get this matter settled ? No.

8 Did Mr Lyne or any other member of the Cabinet hold out this inducement to you - that if you could secure votes for them on a certain division this question would be settled ? None whatever. I never had any conversation to that effect with any one either directly or indirectly.

9 No such proposition was ever made to you ? No.

1000 Neither did you suggest ~~any such proposition~~ it ? Never.

1 So far as you know the settlement was arrived at in ~~and~~ any above board ~~in an~~ honorable way ? Quite so.

2 Mr O'Sullivan. There is one point I should like you to clear up and it is this you and Mr Hill were partners with Batty & Sheehy and Mr Hill states that you settled the matter without consulting him ? Yes.

3 What reason had you for doing so ? Because the Bank of

54

New South Wales insisted on the settlement. They refused t o advance us any more money to carry on law proceedings

Had you grown tired of Mr Hill'sefforts to settle the matter ? His efforts and mine were combined.

And you say that the pressure of the bank compelled you to make the settlement ? Quite so..

Did you believe in your own mind that Mr Hill would acquiesce in the terms you offered ? I thought he wouldagree to anyth ng I did , in fact I was sure he would agree to it.

You are not aware whether whether MrHill interfered in any whatever withthe matter in the way of getting political influence. Not as far as I know, & I knew the whole circumstances of the case from end to end. We were frequently in conference in reference to it.

Did you ever know Mr Hill to take an active part in the political affairs of the country ? Never.

Did you ever know him to take any part in politics beyond exercising his vote at elections ? Hetook very little interest in elections at all - he often did not vote

From your evidence it would appear that you were placed in such a position by the bank that you werenot masters of your own actions ? Quite so

You had on that account to accept ~~the~~ a lowest sum than you would otherwise have ~~had to~~ agreed to ? I ~~would~~ ....

not ha ve dreamt of taking £145 but for the pressure of the bnk.

15 Is it a fact that Mr Lyne spoke at one time of submitting £150 to the cabinet ? I do not remember it. I do not think ~~he~~ we would listen to it at one period of the negotiations It was only the pressure of the bank which made us finally think of taking £145.

13 In your estimation you were compelled to drop from £155 to £145 per foot ? Yes. We would have gone to law again if the bank had found the sinews of war, but they refused to do so. I had to borrow an additiona l £500 from a man to pay the solicitors.

14 How much did you owe the bank at the time it had such a hold upon you ? I owed them about £6000 myself, but they wanted the bulk of the money in.

15 Was this after the depression ? Yes, when all the banks were calling up their overdrafts.

16 You were caught on a lee shore and you had to agree to the terms of the Govt ? It was compulsory.

17 Mr Piddington. It was the bank of New South Wales ~~Bank~~ was it not ? Yes, I believe there was a considerable strain upon the bank at the time.

18 MrO'Sullivan. Coming back to the settlement without Mr Hill's acquiescence at the time being I suppose you waited on the bank manager and agreed with him what you would accept ? The bank manager was at me daily. He said he

was getting letters from the head office to get the matter settled. I said that it was simply ruination & that we were throwing money away, that we had got a verdict for £200 and that we should get the verdict again if they would let us have the money to go to law, but they would not advance us any.

1119 How did you come to agree upon the amount of £145 per foot ? Who first suggested it ? That I cannot remember. I think it was Mr Barling who first mentioned it. I think he said it had been before the cabinet.

2 I presume that you and the bank manager conferred about it, and agreed to accept the amount ? Yes. He said that we should have to accept it. There was no conference at all. He would not listen to reason. He simply said "You must accept it"

1 Upon that you went to your lawyers and authorised them to accept ? I myself went up to Mr Barling with the bank manager.

2 And you then accepted the terms verbally ? Yes.

3 Did not the lawyers appear upon the scene afterwards ? I went away. It is very likely that they were there during the following week.

4 Mr Bavister. In asmuch as the case was left ~~he~~ yourself and to Mr Hill to settle, did you and Mr Hill on any occasion interview Mr Lyne together ? Yes, dozens of times I should

think. I had probably seen Mr Lyne two or three dozen times.

1025 Mr Piddington. What interest had you in this land ? A quarter share.

6 And the bank of New South Wales advanced you £6000 upon wht ? Upon different securities.

7 Yet they were pressing you for a settlement of this particular case ? Yes, they wanted their money

8 Mr Cann. In settling this case was any commission divided among any persons interested in the settlement ? No.

9 As far as you are aware no inducement was offered to any person to influence the settlement ? Not a penny piece.

30 You confinedyour negotiations for asettlement to yourselves ? Yes, we had no outside influence in any shape or form.

1 Were the land valuers ever approached to fix the land value at a certain figures ? I do not know any of them.

2 Mr Wall. Can you say if any of the other parties interested in this land had obtained advances from the bank or were under under obligations to it ? Mr Hill was and very probably Mr Sheehy, but I do not know.

3 Do you know of your own knowledge whether equal pressure was brought to bear uponthem to effect a settlement ? I do not think Mr Batty or Mr Sheey were interfered with in any shape

56

or form - they never interfered with the settlement at all.

1634 You say that the bank brought pressure to bear upon you to pay up your overdraft ? Yes.

5 What I want to get at is whether if the others were indebted to the bank equal pressure was brought to bear upon them ? Just the same, in Mr Hill's case

6 You cannot say to what amount they were indebted ? No, I cannot.

7 Mr O'Sullivan. You yourself owed £6000 to the bank ? Yes.

8 Have you any idea how much Mr Hill owed ? No.

9 You have spoken of your private account of £6000. What did the account of the firm collectively amount to ? To about £30,000 I think.

46 Then it was really to obtain the payment of £30,000, & not £6000 that the bank was pressing you and your partners into a corner ? Yes..

1 Mr Piddington. As regards your advance of £6000 you say that the bank had other securities ? Yes, but what was the good of them - they wanted their money.

2 MrBavister. Was any portion of the land affected by this claim purchased separately by yourself ? None whatever.

3 Mr Lyne. When you saw Mr Barlig did he refuse to make any written offer until you agreed to take £145 per foot ?

Yes, he would not put it in writing.

He said you were to make the offer ? Yes.

And when that was done the settlement was agreed to in his office ? Yes, the matter was then apparently settled.

In the papers you will find a letter from the bank dated 30th Sptr 1893 calling upon the works department to pay any money due ~~to Mr~~ ~~by~~ Mr Hill and yourself to them ? Yes.

That was concurrently wit h the pressure they brought to bear upon you ? Quite so.

Did Mr Hill at any time send you to me to ascertain whether I had offered to pay a larger sum than £150 per foot for this land ? No .

Do you know if he sent any one to ascertain that ? I am sure he did not. Had he done so he would have told me .

From the time you put in your first offer of £135 per foot in February 1893 did I ever vary the position I took up- that I wouldnot recommend more than £150 per foot ? Never.

Not at any one time ? Not at any one time.

Did I say that I would not settle the case, and that it must be a matter for thecabinet ? You said that it mst be a matter for the cabinet.

Did I ever ask you to influence votes in consideration of my making a settlement ? No.

1654 Chairman. You will see from a reference to the papers on page 30 that you made an offer on the 15th February 1894 ? Yes.

5 You then offered to take the sum of £150 per foot? Yes.

6 Previous to that you sent in a letter offering to take £185 ? Yes.

7 Was any suggesti9n made to you either by the Minister or by any member of parliament that you should write either of these letters ? N^{o}.

8 Or that you should vary your offer from £185 to £150 ? None whatever .

1659 The letters were sent on of your own free will ? I wrote them myself.

(10.)

Daniel Sheehy called in sworn & examined.

946 Chairman. You are one of the parties interested in the re-
sumption of land at Woolloomooloo Bay ? Yes.

7 Did you take any active part in bringing about a settlement of your case ? No.

8 Do you know anything about the settlement ? No.

9 You know that eventually you received your share of the money ? That is all I know.

10 Did you at any time go with Mr Hill, Mr Batty or with any one else to interview thelate Secretary for Public Works Mr lyne ? NO.

1 Didyou ever see Mr Lyne at any time with regard to this case? Never in my life.

2 Do you know Mrlyne ? I do not.

3 If the statement had been made that you with others went to see Mr lyne in reference ~~at~~ to it is it true ? It isdecidedly untrue.

Mr O'Sullivan

4 You say that you do not know Mr lyne ? If he were sitting at this table I should notknow him.

5 As a matter of fact he is sitting in the room now ? Then I could not recognise him. I could not tell Mr lyne from any of the rest of you - I do not know him at all.

Nelson Dawson

16 Q. You never at any time waited upon him inconnection with this or any other matter ? Never, I do not know him.

17 Mr Lee. You had some difficulty in getting this matter settled ? Mr Hill & Mr Belisario Belisario had everything to do with it.

18 You were a shareholder in it ? Yes.

19 You did not take any active part in it yourself? No.

20 Do you know any members of parliament ? I do.

Did you get any mebers of parliament to help you to get the case settled ? No, I never mentioned it to any member of parliament. I know Mr See.

21 When you were dividing the money received from the Government between yourselfes was any deduction made from the amount ? No there was only the bank's interest.

23 Was any deduction made to pay any pesons for services rendered ? No, not that I know of.

24 As a matter of fact did you pay any member of parliament to help you to get the case through ? Not that I know of.

25 Did you promise to give money to or did you hold out any other inducement to any members of parliament to support the late Govt ? Not that I am aware of.

27

q46 You know nothing at all about the settlement ? I know nothing at all about it.

7 MrCann. Are you aware of any condition commission being paid to valuators in connection with the valuation of this land ? No.

q48 No incentive was given to the valuators to put a certain price upon it ? No. I thought we got a very low price for it. The jury awarded us £200 a foot and that is what we ought to have got.

28

George Hill re-called and further examined.

829 Chairman Shortly after your case was settled I believe you waited on the late Crown Solicitor Mr Ernest Smith? Yes, I saw him at the desire of Mr Cowper of the firm of Stephen Laurence and Jaques my solicitors.

30 I believe you made some statements to Mr Smith on that occasion in refernec e to the land resumptions ~~of~~ at Woolloomooloo Bay ? Perhaps you will allow me to explain. I saw mr Smith at the expres wish of Mr Cowper who asked me to request him to push the whole of his matters on as quickly as he could. Mr Cowper said he would push his own part of the work on, and be ready for him. If I remember rightly mr Smith referred me to Mr Parkinson.

Did you tell Mr Smith that you had been very badly treated by Mr lyne over the matter ? I told him I had been very badly treated by everybody, and particularly the crown ~~Solicitor~~ Solicitor .

Meaning himself ? I do not know whether he took it to mean himself or his predecessor Mr Robert Smith. I said that Mr lyne had aways treated me in a very gentlemanly manner.

Did you say that Mr lyne had treated you badly—that he had promised to give you more - a good deal more than he ultimately gave you ? I have no recollection of saying so. I will repeat the conversation as well as I can. In the first place I said " I think Mr lyne has always treated me as a gentleman. The great fault I have to find is that you have done the legal part of the affair, and at the same time have valued my land also. I do not think you have any right

8

Hawkins Witness

to do it"

834 Did you tell Mr Smith that Mr Lyne had sent for you & that he had said "I want you to do certain things for me, Hill" ? I never told him so. If I told him so I must have told him an untruth, because Mr Lyne never sent for me to ask me t o do anything for him.

5 Did Mr Lyne at any time send for you and promise to settle the Woolloomooloo Bay matter on the condition that you should ~~if you~~ secured for the Government of which he was a member certain votes ? I have said bfore that he did not - he never did so. I have already said distinctly that he never made any promise to me.

6 Then if Mr Smith has said that you told him that Mr Lyne had promised to settle this matter on the condition that you would secure him votes in an important division, what can you say in reference to that statement ? He either misunderstood me, or told a deliberate lie. Fither he or I - one of us - must be telling a lie.

40 T Is it possible that in your excited state you may have said anything to Mr Smith which would leave that impression on his mind ? I cannot tell you what impression a man might have in his mind. For instance he has an impression on his mind that I was excited , but that is my manner. Possibly you may think I am excited now, but I am not

9 Did you ever offer to secure for Mr Lyne any votes for the purpose of maintaining in power the Government of which he was a member ? I tell you distinctly - never - I told you so ~~before~~ before.

9

39 Mr Lee. Do you deny that you told Mr Smith that you had had a conversation with Mr Lyne to the effect stated ? I have no recollection of it. We had some hot words, myself and Mr Smith, I remember that - we had a long conversation & I think the hot words came from me I thought I had been badly treated from time to time, and I thought it all rested with them up there.

40 Why had you hot words with Mr Smith ? From the treatment which I thought I had received at the Crown Solicitor's office. For instance here was my land which had been valued at £175 per foot. Then again why was Mr Mc Millan's report kept back. The report was sent to the Crown Solicitors office to ascertain the persons to whom the valuations could be sent, and it never came back from there. Besides I was the only person from they took land to whom the valuation was not given.

Did Mr Lyne on behalf of the Government agree to give you a certain price for the land, and then afterwards withdraw his offer ? No, never. If you will allow me to explain I will do so as well as I can. I offered in the first place to take £185 per foot for the land. Mr Lyne said "I will not submit that offer, because I do not think the land is worth it. He said further that if I would submit an offer of £150 a foot - I think that was the price - he would submit it to the cabinet. At the same time he told me that I must bear in mind that he would not settle the question unless it went before the cabinet. He said it would have

Wilson Paterson

to be a cabinet question.

47 Did you or did you not tell Mr Ernest Smith the Crown Solicitor had that Mr lyne had treated you badly ? I believe everybody treated me badly.

3 Did you or did you not tell the Crown Solicitor tht ? I have no recollection of telling him that but it is very likely that I did, I must have been badly treated when it took 4 years and 6 months to come to a settlement. My land had been valued just the same as the other land which was taken and I could not getthe Govt to give me a valuation for it, although I knew that it had been valued, & that Mr Mc Millan had written the minute which has been referred to.

4 Did you tell Mr Smith that Mr lyne had promised to give you more - a good deal more - than he ultimate ly gave you for the land ? No, I did not.

5 Did you tell Mr Smith that Mr lyne had promised to give you more for the land before a certain division came off? No I did not. If I did tell him so I told him what was untrue.

6 But the question is whether you did or did not tell him so ? I did not.

You swear positively that you did not ? I have already sworn it.

8 If the contrary has been sworn by MrSmith he must have sworn and untruth ? Fither he or I must have done so.

11

Qu9 But you swear positively that you did not tell him this? I say distinctly that I have no recollection of telling him.

But this matter you must remember was running on for 4 years and 6 months. I was waiting upon people every day in connectn with it. I was constantly seeing Mr lyne, and I cannot repeat every word of what I said during the whole of that time. You must be aware of that.

50 But the conversation to which I refer ~~was~~ said to have happened only in March last ? I tell you that I have no recollection of every having told him so.

1 Do you recollect waiting upon Mr Smith in the month of March last ? I remember calling on Mr Smith as I have said before at the instance of Mr Cowper who asked me to go and see him.

2 Do you remember seeing Mr lyne the late secretary for Public Works in reference to your matter about the month of January last ? I must have seen him. I saw him every month, every week nearly .

3 Do you think you saw him every week in the month of January? I could not say that, but I saw him repeatedly. I saw him so often that I was a nuisance in the office - I know I thought do myself.

4 Have you a distinct recollection of being at Mr lyne's office in themonth of January ? I have no distinct recollection of it, but I must have been there.

12

Paterson Atkinson

855 You do not remember being there on any particular date in January ? No, I was there so often.

(Have you any date which will enable you to fix the dates you were there in January ? No I do not keep a diary and I have not kept the dates in my memory.

Was it after you had had an interviw ~~it~~ with Mr Lyne that you saw Mr Smith ? Both before and after? should think. I was there constantly. I was goaded on by the bank to make a settlement on the one hand and I was goaded on by my co-partners to make a settle ent . Every one connected with the matterwas goading me on. Every one to whom I owed money was goading me on to make a settlement.

You and MrSmith were on good terms were you not ? I did not know him.

You were not on bad terms with him ? I could not be on either good or badterms with a man I did not know.

Do you know any one in the Crown Solicitor's office ? I knew Mr Smith andI think he is the only man I knew there.

To which Mr Smith do you refer ? To bth of them I knew Mr Rbert Smith. well

You did not know Mr Ernest Smith before you saw hm in reference to this case ? I do not think I knew him. I do not think I had ever spoken to him ~~before~~ before. He was pointed out to me at the trial and I think that was the first time I saw him.

15

You were present in this room when MrSmith gave his evidence ? yes.

You heard the evidence he gave ? Partly.

Didyou hear him give his evidence relating to the statements alleged to have been made by you ? I did.

Are you prepared to say whether the ~~s~~/tatements he made are ~~true or untrue~~ untrue ? Untrue I should say .

I do not ~~qua~~ want any qualification - were they true or untrue ? Untrue.

Absolutely untrue ? Not all untrue.. If you want to know all that I ~~ha~~ said the better way would be to read Mr Smith's statement over to ~~him~~. me.

I am directing your attention to the sttements he made concerning yourself ? well - say they are partly true and partly untrue.

That is with regard to the portion of the statement which concerns yourself ? I think you ought to read it over to me before asking that question.

Did you see Mr lyne after/division on the vote of censure in January last ? I must hv e seenhim. I saw him nearly every day. Sometimes I saw him 2 or 3 times a week in reference to our case.

Did he show any disposition to shirk a settlement then ? I do not think he did. but it is so hard to see through a

a man like Mr Lyne. I could not say from his manner whether he was going to have a settlement or not.

3 You wish the committee to understandthat you had great difficulty in getting the Government to settle the claim of Hill & others ? Very great difficulty.

4 Will you tell the ctee how you managed to get them to settle it at last ? By taking agood deal less than I thought the value of the land.

5 Less than you thought it worth ? less than I am sure it was worth.

6 In your opinion ? Not only in my opinion, but in the opinion of everybody.

7 Mr O Sullivan. I will read over to you what Mr Smith said the other day and you can then say which portion ~~of~~ of his statement you consider true, and which portion untrue. He said "~~Mr~~" Mr Hill was announced and he came in to see me " ? That is right

8 He continues "He said at first that he had come up to ask me to press on the completion of the carrying out of the settlement in this matter" ? What I believe I told him was tht I had come up from Mr Cowper of the firm ofStephen Laurence and Jaques to urge on him to get the thing done asquickly as possible, and to tell him that they would have their part ready. I think that will be borne out by MrCowper himself.

9 Mr Smithgoes on to say "I told him that I was going the next day, but that I had no doubt that MrParkinson the chief clerk would ~~get~~ push the thing on for him & get it completed "? That is quite right.

15

2 He continues "He then went on to tell me that he had been very badly treated in this matter "? I will not deny that.

1 Mr Smith then goes on to say " I told him after he had ben talking a little of the bad treatment he had suffered at the hands of the Government h that it was of no use for him to talk to me in that way" ? I do not think he did say that, but it would be very hard for me to say now.

2 MrSmith continues "I said 'You know it is no good talking to me ~~like~~ like that. You know perfectly well what my opinion of what the value of this land is' " ? Yes, I remember saying "I do not think you have any idea of the value at all. You may understand the legal points of the case but as to the value of the land I think you know nothing about it".

3 He thensays you made this remark "But you do not know that Mr lyne has treated mebadly. ...e promised to give me more - a god deal more " ? I never said so.

4 Mr Smith cntinues " Then he went on to tell me that this was just before the division on the previous motion of censure or want of confidence when the majority of one " ? I never said so. I have no recollection of telling him so.

5 Was that vote on the motion of censure connectedin your mind with this matter "? In no way whatever

6 He goes on to say "He said that Mr lyne had sent for him then and had said 'I want you to do certain things for me Hill' and after discussing these he said 'I am going to settle that Woolloomooloo matter for you'" Did you ever say that to Mr Smith ? Never.

16

Robinson Atkinson

887 Did Mr Lyne ever make use of such a ~~m~~ remark as this to you "I want you to do certain things for me Hill" ? we never asked me to do anything for him in my life that I am aware of.

8 Mr Smith continues "Mr Hill said that after the ~~divis~~ ~~dis r~~ division he called upon Mr Lyne, and that Mr Lyne then said " 'Do not come near me now I am too busy call again in 10 days'" Did you say that to Mr Smith ? I did not, I have no recollection whatever of saying it.

9 After the division upon the motion of censure you do not remembr Mr Lyne saying to you "Do not come near me now, I am too busy; call again in 10 days " ? I do not remember his saying "Call again in 10 days" but I may have called often when ~~f~~ he did not see me owing to his being too busy. Then again I have often called at the office when Mr Lyne has not been there at all.

10 Had you sufficient political influence to save the late government from defeat ? Me - I should say not.

11 Have you any members of Parlt under your thumb, that is can you influence their votes in parliament ? I certainly have none under my thumb. I do not think I have power to influence any one.

12 I want to get at the reason why these statements should be made ? Well you are a member of parliament yourself. You ought to know whether I could do so or not . If you like to call through a list of members I will tell you all that I know and all that I do not know. I do not think I know 10 men

Wilkey

in the House, and you are the only man of the 10 I knew at this time.

843 Mr Bavister. You knew Mr S.F. Lees did you not ? I have certainly spoken to Mr Lees, but I do not think I have spoken more than 20 words to him in my life.

4 Mr O'Sullivan. You say that you knew me as one of the members of the House at this particular time; is it not a fact that I was on the Government side voting with them ? I do not know on which side you voted.

5 But since I was voting with the Government there could be no occasion for you to ~~interfere with me~~ interview me ? I do not remember ever speaking to you.

6 Have you at any time at all in your long business career interfered in political matters ? Yes, I have.

7 To what extent ? To Very little. I voted to get Mr Cameron in and I have tried to keep some others out.

8 You mean that you have simply exercised your right as an elector ? That is all.

9 You have never come down to the lobbies of parliament house interviewing members as to their votes on certain questions ? Never.

900 As a matter of f ct you have never been known as an active politician apart from the esercise of your elector's right?

I am no politician at all. I do not believe in arguing upon

such matters as politics.

You object to the statement that you get excited - you have anexcited manner, have you not ? There is not the slightest doubt about it.

And that may possibly lead persons to believe that you are excited ? They may think so, but I am not excited. You may think I am excited now, but I am not.

As a matter of fact you are in the habit of using strong language in giving vent to your feelings ? Yes. I have what persons would call a blustering manner - that is how I describe it.

Is it not possible that when you went to see Mr Smith on the occasion you refer to you were in such a frame of mind ? No doubt I was in a very bad temper when I saw him, & talking about Woolloomooloo Bay to me in those days was like showing a red rag to a bull.

You have given a specific denial to these statements of Mr Smith. Have you anything further to say in reply to MrSmith's sworn statement ? No. As I have told you I simply went up to the office at the express wish of Mr Cowper.

Mr Bavister I should like to know how the property in question came into your possession; did it come into your possession in one block or at different times ? I could explain it all to you if I had the figures with me. Mr Sheehy who knows more about the matter than I do could also explain it. The property consisted of land

let by a man named Charles Doyle.

907 Was any of it purchased by you ? Yes.

What portions ; can you define them ? No, I cannot. There were a number of tenants in common of the piece let by Mr Doyle. A certain number of his relations all had shares in it. We bought their shares, as they came of age. Some persons had a life interest in the property and we bought that also.

Can you say what price was given for any portion of it ? Not from memory.

Is it not a fact that you made a mistake just now when you said that you knew no member of this committee other than Mr O'Sullivan ? What I said was that I did not know any other member at the time of the Woolloomooloo Bay resumptions.

Did you not in this committee speak to Mr Lees as to his knowledge of this particular land and challenge him with the fact that he knew it as well as any one ? I did. In a sort of way I know Lees, but I do not speak to him, perhaps, once in 5 years. I may say tht at the present time I know Mr Morgan well, but at the time of the Woolloomooloo Bay resumptions I had not spoken to him. I knew him by sight, but I had never spoken to him.

12 Mr Piddington. How did it come about that these settlements were made behind your back. You say that you took a great interest in getting thematter settled, yet the final settlement seemed to have been made behind your back ? It was. I think Mr Belisario settled it. It had been

Watkins / Smith

outstanding for so long a // time and we were so pressed for money that he took it upon himself to go ~~with~~ to Mr Barling ~~to~~ the manager of the bank to see if they could not settle it.

Q13 He did not consult you at all ? I did not know the case was settled at that time.

14 You dd not know that it was finally settled until when ? Until I went and asked myself. There were 50 reasons for a settlement. In the first plae the bank insisted upon it . They would not let us hve any more money.

15 Who was the maneger of the bank ? Mr Sheridan. But I think he was acting under instructions from Mr French the general manager. I think Mr French wrote a letter to him.

16 So that personally you h d nothing whatever to do with the final s ettlement ? Nothing, except having to agree to it.

17 When did you agree to it ? I do not know the exact date. We all hadto agree to it. Mr Belisario made the settlement and we all concurred.

18 Mr Lyne. I believe the first offer you made, that is the offer to take £185 was dated the 27th September 1893 ? Yes about then..

19 When you wrote that letter to me did I tell you that I would not recommend that price to the cabinet, because I thought it too much ? I wrote a letter to you asking you to take £185 per foot, and you said to me "Hill it is of no use your asking £185 per foot that land . The price in my belief is exorbitant, and I would not submit such an offer to the

cabinet" or words to that effect.

Pulcheria

9a Do you remember my mentioning at the time the price of £150 per foot paid for Lahiffe's property ? I think you said something like this "If you submit £150 a foot for your land, I will submit the offer to the cabinet, but I will not take it on myself to settle thec ase - it must be a cabinet question."

| On the ma ny occasions on which you saw me in reference to this matter did I ever say or insinuate in any way that I ~~to~~ wouldrecommend more than £150 ? I remember your saying you would not recommend £185.

√ But did I ever say that I would recommend more than £150 per foot ? Never.

3 You wrote a letter on the 15th February last offering to take £150 ? I did.

4 Did I tell you at that time that I would submit that offer to the cabinet ? You said you would submit £150 to the cabinet, but that you would not take it on yourself to make any settlement - it would have to be a cabi et question

5 You did not get £150 ? I received £145.

6 And in consequence of receiving only £145 and not £150 you felt that you had a grievance, that you had been badly treated ? I am satisfied that I have been robbed.

What I want to know is this - I told you that I would

7

submit the £150 per foot ? You did.

And you did not get it ? No.

And if you made any statement to any one about being badly treated, and about your not getting as much money as you had anticipated, it would have reference to your receivg £145 instead of £150 ? I did not get nearly the price the land was valued at.

Did you ever expect that you would get more than £150 ? How could I expect more if I agreed to submit an offer of £150. If I agreed to sell this tumbler for 1s, I could not expect to receive 2s 6d for it.

You have said that I refused to submit an offer to the cabinet for settlement until you agreed to take £150 per foot. I suppose that when you made that offer, and when I did submit it to the cabinet you expected to get £150 per foot ? Of course I did.

And you were disappointed, because you did not get it ? I was disappointed, because I did not get £150 a foot, and I was also disappointed, because I did not get what my land was valued at.

Mr Smith in his statement the other day said you had told him that I sent for you & said that I wanted you to do certain things for me, and that I was going to give you a good deal more for this Woolloomooloo Bay land if you did those things ? You never sent for me that I am aware of; you never promised me anything.

93 Did I not say that I would not and could not settle the matter myself ? As I have already stated you said you would not settle it, that it was a cabinet question, and that it would have to gobefore the cabinet ~~was settled~~.

I never promised to give you £150 per foot ? No you never promised it me, but I submitted £150 and got £145.

Did I on any occ sion ever promise to give you £150 per foot ? No. If you had promsed to give me £150 per foot naturally I should not take the £145.

About the time we are speaking of you were in rather bad health were you not ? In very bad health.

You hadrather a serious illness had you not ? Yes.

Your health was in a bad state and you were liable to get excited ? ; was in a very bad stateindeed. The doctors considered my condition very serious although they did not tell me so at the time.

40 I suppose you ~~thought~~ talked about this matter of the Woolloomooloo land to a great many persons ? ; talked to them and they talked to me . It was a constant topic all over the town

And if you conveyed the impression to any one that I had offered more than you got for this land in consideration of your doing certain things - getting votes or anything of that kind, you now say speaking on your oath, that that is

Hawkins Wilson

not true ? It would be an erroneous impression. I never did any such thing, and if I said so I must have said that which was not true. There is one matter I should like to refer to. When we settled this dispute it was at so much per foot, andeach p arty had to pay their own law expenses That I presume referred to the litigation at thetime, but the Government now have refused to pay the transfer of the deeds, which I think in every ~~cht~~ othe r case they hve pa d. In every ~~case~~ case where a man buys a property ~~the purchaser~~ pays this expense. I thinkthe Government owe me that money now fairly and honestly.

Mr O'Sullivan. What would it amoun to ? I think about £200.

Hawkins

Mr lyne. Is Mr Smith's statement that you had told him ou sent some persons to me to confirm your impression about my having made you certain promises true ? I say distinctly that you never made me any promise ~~M~~ in your life.

~~Mr~~

Did you send either Mr Batty or Mr Sheehy or any one else to me for this purpose ? I believe Mr Sheehy has never seen you , in fact I am almost certain he has not, at all events not inconnection with any business matter. He ~~certain~~ certainly did not have an interview with you in my presence.

As a matter of fact you did not send any person to me for the purpose indic ated. ? I never sent any one to you for any purpose

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(8)

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

ON THE

RESUMPTIONS OF LAND, WOOLOOMOOLOO BAY

Wednesday, December 19, 1894.

P r e s e n t -

Mr Cann,
Mr Bavister,
Mr F. Clarke,
Mr Lee,
Mr J. Morgan,
Mr O'Sullivan,
Mr Piddington,
Mr Wall.

J. Morgan, Esq, in the Chair.

J. W. Lyne Esq, M.P. appeared in Person.

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873 Ernest Augustus Smith, re-called and further examined.
Chairman. When you last gave evidence to the committee you made a statement as to the conversation which took place between yourself and Mr Hill; do you wish to supplement what you then said in regard to the conversation ? No , I think not.

4 You repeated the conversation as far as you can remember it? I think so, substantially..

5 Mr Piddington. Were the minutes of the evidence taken at the trial in the Crown Solicitors office before you left ? We had the notes of the judge in print - they were printed for the full court.

6 Chairman. Is there anything further you wish to state to the committee ? I desire to refer incidentally to Blue's case. You will find on page 40 of the parliamentary papers a minute by the late Secretary for Public Works, Mr Lyne, in which he says

Regarding Blue's case (the only case which shows an appearance of being now) it speaks for itself. The particulars are as under:—

John Blue.

Area	1 acre 3 roods 16/36 perches.	
	£	s. d.
Amount claimed	14,323	8 7
" offered	4,070	0 0
" awarded	9,639	18 0
Verdict of Jury	7,600	0 0
Cost of Award	1,310	14 0*

* Which are exclusive of the Crown Solicitor's costs in conducting the case.

This shows but little gain, with great risk of serious loss by going to Court.

Wht I should like to point out is that if these figures are looked at rightly they show a very substantial gain. The amount awarded was £9639 18. The costs of the award were £1310 14s If these two items are added together, I think you will find they amount to £11,240 12s. That would be the total amount the Crown would have had to pay had the award stood. In addition to that there were the Crown's own costs of the arbitration proceedings, and the additional interest between the sum ultimately paid, and the sum awarded. That would be 6 per cent on £2000 for 2½ years. The cost of the arbitration were taxed at £1223. The costs of the arbitration I believe would amount to about £700 or £800, so that there is about £1000 for interest and costs to be added to the above sum of £11,240 making a total of £12,240. Upon my advice we went on to trial before a jury. That advice was given when I heard that the Minister had decided not to appeal. I think the papers will show that that decision had been arrive at. As soon as I heard of it I went down and saw the Minister. I put the case strongly to him on the same lines as I ~~had~~ put this case of Hill's namely that on the evidence the award was clearly excessive. On my urgent advice

a minute was written that the appeal should go on. We went into t court with the result that the jury awarded ~~the awarded~~ £7600 putting that sum against the sum of £12,240 I contend that there was a very substantial reduction. That is wht I meant the other day in regard to Hill's case, when I said that notwithstanding the adverse verdict of the jury we were in a strong position. Our evidence had worked out very clearly. We had had the experience of aformer trial enabling us to see what the evidence of the other side was, and we also had the ruling of the Supreme Court as to the deepening question, so that notwithstanding the adverse verdict I think we had as in Blue's case a very strong position & if the advice given in Blue's case had been asked for and followed in Hill's I believe the same satisfactory result would have followed

Mr O'Sullivan. Were the ~~surr~~ circumstances surrounding Blue's case similar to those surrounding Hill's case ? Of course all these cases vary in detail - there is no doubt about that. ~~The~~ feature in one case will not be found in ~~the~~ exact others But they are alike in this way that they have all to be submitted to one test, namely what is the weight of evidence on both sides, and applying that test I say that Hills case is very similar to Blue's, namely that the Crown had the best of it so far as evidence went.

Did Blue's case hang upon anything like the right to deepen ? There was no question of that kind. I did not intend to compare the cases as regards that feature. ~~the future~~

9 Was there any valuations of the surrounding ~~the~~ land in Blues case ? There were any number of valuations. I confess that I am not up ~~to~~ the details of ~~thi~~ case - they h gone fm my ~~mo~~ mind at this moment

10 Had any payments been made for surrounding land in Blue's case whichwould make it appear that a higher price had been given for similar land thanwas afterwards paidfor that particula land ? I forget what the evidence was onthat and other points I did not attend the arbitration mself, but Mr Parkinson could explain it all. We had charge of Blue's case. It was on going into the evidence with him & with counsel that I formed the opinion I have indicated.

11 Mr Lyne You just now gave two amounts £963 ~~£9285~~ 18s awarded £1310 and ~~£1330~~ 14s ~~for~~ costs of award ?

Do they not total about £10,950 ? Yes, that is so. I added the figures rather hurriedly just now. The £1000 added to that would make the total £11,950. instead of £12,240 as stated by the gentleman.

12 You said that in Blue's case I decided not to appeal? I do not remember that ? I think it would ~~s~~ appear in one of the papers in the case.

13 Do you know whete the papers are ? I suppose they would be with the works department.

14 You cannot qubte the paper definitely ? No I am only speaking from memory but if the papers are referred to it will be shown that such a minute as I have referred to was written. There was a subsequent minute to the effect

that the Minister having seen me on my urgent advice the trial was to be proceeded with.

15 I think you said the costs of award were something over £700 ? I believe so.

16 Are they not put down at £1300 ? That would include the plaintiffs coste which ~~he~~ we had to pay.

17 You also said that a certain sum for legal costs was afterwards taxed ? I think they were taxed at about £1200

18 What does that amount include ? It included the costs of arbitration and the action // I believe the total was about £1220.

19 We had to pay that ? That is what we got from them ultimately. I think they paid us £7600 just less £1223.

20 Did not the verdict carry costs against us ? No, we got the costs.

1 You said just now that you came to see me when you heard that I did not desire to appeal ? Yes, I think it was on the last day but one before the time of giving notice of appeal would expire.

And you laid your reasons before me ? Quite so.

3 Did you do that in Hills case ? I had not the opportunity.

4 In Blue's matter did I ask you to come down and lay the case before me ? No, I do not think so.

5 Then in Hill's case if you had strong views would you require

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me to ask you to come and see me ? In Hill's case the works department were advised not only by the Crown Solicitor, but also by the Attorney General not to settle. The Crown Solicitor prepared a case for trial and we went to within two or three days of trial.

Can you say when the notice asking us not to settle was delivered at the works office ? I cannot say.

Can you say whether or not it was just about the time the settlement took place ? No, I do not remember when it was. but I know that I took care to report all through. Immediately after the verdict I reported it and I reported from time to time the steps which were being taken with regard to a new trial and about the holding of a consultation with counsel and so on. After getting a rule nisi I understood from Mr Barton the the n Attorney General that the matter had been referred to him, and was in his hands.

825 Mr Lee. Do you remember on about what date you had the conversation with mr Hill to which you referred at the last meeting of the committee ? If my recollection serves me it would be about the 30th March. I remember that it was on a Friday and that Mr Colquhoun came into the office on Saturday. I should like if I may be allowed to refer for a moment or two to a general question which I raised as to the amendment of the law by making the Attorney General the nominal defendant in those cases ~~My object in doing that was this . - I want to explain it as a far as I can understand it.~~ If you refer t page 40 you will see that the late Sec f Pub Works referring to it says "I t will thus be seen that the desire is to act entirely indepdnedent of

the department of works, and practically place all power in the hands of the Crown Solicitor when costs will be piled up at will" Wht I should like to suggest if I may be allowed to do so is that to my my mind that is not a very broad way of looking at the question. It does not appear to me to be a question whether this department or thatdepartment is to have more or less power. That was not my object in making the suggestion . My object was merely to ensure steady administration in all matters of a legal nature. That was my main object . It seems to me that if this office is charged with the legal administration of the affairs of this colony it should have full power to carry them out of course referring where necessary to the department from whom the case originally came. I think that would ensure ~~the~~ a steadier and more business like way of carrying out these transactions. Finally I ~~should~~ might be allowed to say that the fact of my having tendered my resignation had nothing whatever to do with the way in which I felt it my duty to report to the Attorney General when called upon in this case. I had to report whether I had sent in my resignation or not. I think I may safely say that no person knew better than the late Secretary for Public Works that had I remained permanently in the office I should have reported exactly in the same way that I did. If any evidence is required of that I would ask the committee to refer to the papers in Rochester's case. They will see that some 18 months or two years before this I had to take the same stand in regard to this department as I took in the case of Hill v. Lyne.

(7.)

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

ON THE

WOOLLOOMOOLOO BAY LAND RESUMPTIONS

Tuesday December 18 1894

P r e s e n t

Mr F Clarke, Mr J Morgan,

Mr Cann

J. Morgan Esq, in the Chair.

W. J. lyne, Esq, M.P., appeared in person.

720 Alexander Walter Scott Gregg, called in sworn and examined.

1 Chairman. You are a member of the firm of Richardson & wrench ? I am managing director of Richardson, Wrench & Co limited.

2 Did you value the Woolloomooloo Bay property of Hills ? I did.

3 On behalf of the firm ? Yes, representing the company.

4 Did you value it before it belonged to Mr Hill ? I did value it on aformer occasion some 3 or 4 years before.

5 What did you value it at then ? I think that came out in the court when I was giving my evidence. I believe it was £8000 or £8500. I ought perhaps to apologise to the committee for not bringing what I might have brought under other circumstances - the memorandum of these f cts. I was preparing to go to another duty when I was summoned to come here to-day, I hastenedaway without my memoranda. I may mention that I

had looked up all the facts.

You afterwards valued this same property on behalf of the Government, when it was in the hands of George Hill & others? Yes, as disclosed in thepapers..

Did you value the whole of Hill's land ? Yes, I think there were two or three pieces altogether.

I refer to the land resumed by the Government ? Yes, we valued all the properties resumed except Mc Quade's . I remember that one of the Hill's properties was valued with water frontage and the other with no water fontage.

Do you remember how many pieces you valued belonging to Hill & others ? There were certainly 2 if not 3. I think we valued No 2 as shown on the plan with the papers, and also No 6..

To what particular piece of property did the valuation of £3000 apply ? That would be the piece marked No 2 on the plan.

You afterwards made a different valuation of that same property ? Yes.

When did you make thefirst valuation to which you have referred ? In 1886.

And when did you make the second ? In 1890.

You then valued this piece of property at what ? At £53,134 5s 6d.

At the rate of how much per foot ? £175 per foot.

Can you say what caused you in 1886 to value this property at £3000 and in 1890 at the very much increased value of £53,134 ? Well there was the altered aspect and use

that was sold for £2000. The property belonged to the late Hon. S. D. Gordon M.L.C. It was sold subsequent to his death. I believe it was again sold in a day or two at £500 profit to J.P. Starling manager for Paling and Co. He bought the property believing that it would grow into a very large value. I was endeavouring to buy it at the time of excitement here in those matters, and his widow told me that he had said it ~~had~~ would come to be worth £200 per foot. I have no doubt that the reported offer of £160 is correct, or approximately so. The property is not a water frontage, and it is within a stone's throw of the land which was the subject of litigation. I sold myself in 1889 a piece of land on the eastern side of Circular Quay at £200 per foot frontage ~~to~~ with a depth of only 50 odd feet without water frontage.

141 In giving this valuation of £175 per foot for No 2 block of Hill's property you believed that that was the correct value at the time of resumption ? The figures of £8000 and the bigger amount subsequently given were equally the value of the land in my judgment at the time of resumption.

2 Mr Thompson the Government valuator valued this land jointly with you ? Mr Mills Mr Thompson and myself were the three who met in the matter.

3 I believe that Mr Thompson afterwards wrote a letter to the Crown Solicitor, Mr Robert Smith withdrawing his valuatin for certain reasons ? I have heard of that document , but I h not seen it . I should like to see it. . . . Having now read it I ~~should~~ very much question if Thompson ~~wrote write~~ wrote it in the sense of its being his own judgment.

Follows Watkins

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In the sense of Thompson valuing this land with you did he concur in your valuation, did he offer any objection to the valuation you placed upon it ? I should not like to bind him to the extent of saying that he did not make any objections at all but if there was any objection on his part, it certainly was not a forcible bbjection. We all had our opinions and probably like the rest of us, he expressed his. Of course he signed the document.

At all events Mr Thompson offered no serious objection to thevaluation ? No,

Not the slightest objection nor would I press Mr Thomspon to concur in our valuation. I had too much respect for him.

6 There is a sentence in the letter he wrote on the subject from which it would appear that he was doubtful at the time about the valuation. He says:

"I concurred in this valuation though greatly in excess of my own ideas out of deference to theopinions of the other joint valuators" ? Icannot honestly remember that he expressed any doubt, still he may be perfectly correct in his recital of the fact. He may have kept the circumstance to himself.

7 Wht I want to get at is this - did Mr Thompson in concurring in the valuation of yourself and Mills & Pile offer any objection to the price which at that time you put upon the land ? No, I ~~had no~~ have had no knowledge since on the subject nor had I any reason at the time to expect that Mr ~~Thos~~ Thompson would ever have the valuation or have withdrawn from it

5

Do you think any influence was used to induce Mr ~~Thomspp~~ Thompson to withdraw from thevaluation ? I have known Mr Thompson ~~any~~ many yea rs & I know he would not write a letter like that to which you have directed attention if left to himself. He has too much caution. There are ~~letters~~ in this letter ~~for~~ which I sh uld feel angry. For instance he says that an admission he makes involves doubt as to the ability, competence and integrity of the firms he names". I can~~not~~ understand his using the words "ability and competence" but I do not think he should have used the word "integrity"

You did not use any influence to get Mr Thompson to place any value on the land? None whatever.

And you are not aware whether any of the other valuators did anything of the k nd ? There ~~was~~ was only Mr Mills b eside myself and he certainly did not do so ~~or~~ within my knowledge.

You afterwads saw Mr Ernest smith the crown Solicitor. I believe he sent for you to get your op nion as to the value of this land after it had been valued by you ?

I suppose that being a respected and intelligent officer of the Government he must have had access to the papers containing the valuation of £3000 , and probably the discrepancy of the two values struck him asbeing so large & the difficulty in reconciling them so great that he sent for me with a view to asking me certain questions. Thinking ~~that my reply~~ I suppose that my replies would be of some service to him, he asked me to put them on paper. The ctee will find that I did so if they refer to my letter~~ed~~ to him of 13 October 1892

That letter simply puts on record what had apparently passed in our conversation of the same date

752 You will see that the late Crown Solicitor on page 18 says "The explanation now attempted to be given " that is by you "in my opinion is wholly insufficient to account for the enormous difference in the figures of the valuation of 1886 ~~ad~~ and in the valuation of 1890 " ? It is all a question of local circumstances. Some of you will know that land values ~~were~~ (expect much more markedly in) in Victoria in 1887, 1888, and 1889 than in New South Wales There were cases in Victoria of land being multiplied in value ~~ma~~ ny fold at that period within a comparatively short space of time. So far as Sydney is concerned I need only take the site of our office in Pitt Street. I remember when it was bought by the late Thomas ~~Hope~~ Holt at £37 10s per foot. It was afterwards bought at £40. The owner was offered £40,000 and as the buildings did not cost him £6000 that would mean £34,000 for the land. You will see that the value was multiplied very much in a comparatively short space of time.

3 Have you any considerable knowledge of the value of wharf property ? I have a fair knowledge. Our office has dealt ~~with~~ more largely - I think I may humbly say - than has any other office in ~~its~~ the city with these properties from its being the ~~only~~ oldest surviving house. I myself have been in it from thefirst year of its ~~existence~~ mexistence.

4 You have had many opportunit es of valuing wharfproperties about the city of Sydney ? I have. Of course Mr

Smith the late Crown Solicitor was quite at liberty to write as he did. If my explanation did not seem satisfactory to him, I could not help it.

Your opinion of this value of ~~the~~ property ~~of Hill~~ was based to some extent upon the value of similar property adjoining ? Yes the lands to which I referred without water brought so much and in this instance we were dealing with a large area of water frontage. Improved facilities to deal withthe frontage could be got in the ordinary way at a minimum charge and large berthing accommodation could be afford ed in connection with sheds or enormous stores which might be put upon the land. I may mention that inquiries had come infor sites at the Bay for bond and store purposes, & to show you that the place had attracted to it commercial importance there was last year an active wool duping business going on there. The n again a railway had been spoken of. It was suggested that a branch should be taken through Hyde Park down to the waters of the bay. Then the Government themselves have spent many thousands of pounds upon wharf construction there, thereby making the place what it never was before

You were asked to value Nos 5 and 6 ? Yes, if I remember rightly Mr Thompson read us a letter from the acting Crown Solicitor in reference to, I think, blocks 5 and 6 restricting our duties merely to the valuing of the rear shallow piece without frontage.

Then you did not value it after the water frontage was allowed to Hill & Co ? I believe not.

You valued it at a time when it was presumed to have no water frontage at £15 per foot ? Yes.

And you allowed £250 for the buildings ? Yes.

And what for forced sale ? That is a matter for the Min ister.

Had this property a water frontage you would have valued it at considerably more than £15 per foot ? Very much more.

What would the value have been had it had a water frontage ? It might have been £150 per foot.
We valued ~~xix&ks~~ the 15 ft frontage of Brown who I believe put in a large claim giving him £125 per foot. We gave to the adjoining 30 ft frontage a larger valuation, because we argued that with a 15 ft frontage if a man put buildings on it he would require to have two walls on his boundaries, and that those would leave him very little working space, also that the narrowfrontage would not afford access by water, except by a narrow launch stern or bow on. We ought that the ~~30~~ 15 ft frontage was worth ~~con-~~ siderably more per foot, because it would give considerably more working room. When therefore we came to deal with Hills property which was very much larger and which was ~~capab~~ capable of so much more ~~import ce~~ important us~~s~~ either as regards wharfage or stores we increase d the price per foot proportionately.

Had you valued the No 6 property as with a water frontage you would have been prepared to value it at £150 per foot ? I would not go to the length of saying that at this moment

Patterson Return

The ~~had~~ thing happened 4 years back , but the value certainly would have been larger than in the case of the narrow properties of Brown and Lahiff. We would not have put £175 per foot upon it. It was not as deep as the larger piece, wh was the subject of litigation.

6 But on account of the great ~~wharfage~~ water frontage you would have been prepared to give a greater value than to Brown's or possibly Lahiffs's property. ? Yes.

5 Do you think that the price of £145 paid by the Government all round for the propeerty of Hill & others was an excessive price ? I do not think so. I considered £175 per foot a fair price to pass from the Government to Hill. I formed that opinion honestly, and I cannot recede from it.

6 Seeing that the Government secured 500 odd feet at £145 per foot do you think they paid an excessive price, or that they got a bargain ? I think they made ~~a got~~ a very reasonable purchase.

7 Mr Cann. In valuing land are you in the habit of allowing additional value in consideration of probable improvements ? We look at a piece of land as available for certain things. For instance if the land costs so much and if ~~the~~ a structure consistent with the locality is put upon it, we argue that it would be in a position to return so much.

8 That is to say if you thought a certain piece of land suitable for the erection of a large warehouse you would give additional value to the land on that account whether the warehouse was there or not ? We estimate ~~what~~ whether the land could

R Finucane Watkins

applied
~~to~~ be ~~applying~~ for any purpose such as you speak of.

I am quite satisfied that if this particular land had been utilised by the owners ~~and~~ by the erection of jetties and wharfs, stores and buildings of ~~a~~ various kinds it would have been a most active quarter.

179 Do I understand that you gave an increased value to this land on account of the improvements effected on the neighbouring land by the Government ? I do not think that I said that we allowed a specific increased value to the land on that account, I merely adduced the fact ~~that the~~ as one of the reason why my estimate of the value had increased between 1886 and 1890.

180 When you value land, do you know for whom you are valuing it - do you know the owners for the time being ? In 99 cases out of 100 we know.

/ If you are valuing for the Government are you infrmed by the department empl ying you ~~for~~ whom the land belongs ? ~~It would be~~ most likely.

2 Do the owners of land ever approach you in reference to your valuations - do they offer you a commission or anything of that sort for a certain valuation for instance ? It has never been done to me. We have only one way of doing business & that is the right way.

3 You know that this inquiry has been initiated on account of insinuations or innuendoes which have been made ? I can say this that neither by implication, by look, by gesture, directly or indirectly has any promise been made by

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Walkin Abrams

which our office would get one ~~bobbie~~ bawbee out of the transaction I say that intending to convey the full meaning of the words.

774 Have you any knowledge of land valuers being approached in the way I suggest ? I do not know of any such case, and I speak of from an experience extending over a long course of years. Neither by threat, force, menace, temptation, coercion or anything of the kind has any influence been brought to bear upon us in connection with land valuations.

There has been nothing in the shape of bribery ? Not the shadow of a shade of it.

You have not been approached in this matter even by members of parliament ? No

7 Mr F Clarke. D^o you remember whether the land resumed from Hill was specially suitable for building or storage purposes ? Yes.

8 In what way was it specially suitable ? From its relation to the harbour.

9 But apart from the water frontage, had it any other special advantage ? I could not say that it had.

80 Do you remember ~~at~~ the back of the property facing ~~Storey~~ Victoria Street ? Yes, there was not a good way of approach

81 There was a cliff? Yes.

Holmes
Hodgkins
781

Would that not be an advantage rather than otherwise in the case of a wool store ? It would in one way & for a reason which I have sometimes had to use against the Crown. It is only within the last few years that hydraulic power has been made so effective in connection with lifts. If you go down to Daltons wharf notably or to Lambe central wharf you will find there lifts which raise not only a case or two, but upon which you can put a trolly load & and two , and perhaps 4 horses if there were room to hold them.

2 What I mean is would not the cliff save a certain amount of lifting by loading at the back of the building, that is at the top of it ? Yes.

3 In that case I suppose the land would have an increased rqther than a decreased value for storage purposes ? At any rate it ~~would~~ would not detract from the facility with which stores could be worked.

4 Mr Lyne. At whose instance did you value this property? Under instructions from the department of Public Works.

5 You were employed by the Government ? By the Government alone.

6 You have referred to the valuation of lot No 6 . I understood you to say that the valuation was lower than it otherwise would have been because it was understood at the time that there was no water frontage? I believe I am right in saying that our report of that was deferred for a considerble

Hodgens Wilson

time] ~~on account # of~~ Mr Thompson receiving instructions from the Crown Solicitors department ~~that is~~ as to the way the valuation should ~~be~~ proceed, ~~that is~~ as to whether a water frontage should be included or not. Subsequently a letter was received ~~the~~ which limited the valuation to a shallow piece in the rear away from the water frontage.

787 The basis according to your calculation was the lane frontage ? Yes.

8 You said that it was rumoured that the Government intended to open up and improve Woolloomoolloo Bay ? They had done in the interval ~~that is~~ between 1886 and 1896

9 You understood also that railway communication was to be made there ? There was an agitation to secure it in connection with the city railway, as I daresay the committee will remember ~~surrender~~.

90 ~~What~~ Were other parts of the harbour congested so far as traffic was concerned ? Yes, and prices were getting very high around Darling Harbour. The intercolonial trade was growing apace.

1 Did you value the Erskine St at Darling Harbour for the Government ? Yes.

2 I believe your valuation in that case of £60,000 for 3 roods 12 perches ? Yes

How much a foot would that be ? I forget at this moment whether it was £350 or £470. it might have been £470.

Can you tell me when the land boom ceased ? I think I might say about the first half of the year 1889.

And this particular land was taken in 1890 ? I presume so - the valuation was made in 1890.

And according to you at the time the valuation was made the boom was ceasing ? It had ceased in itsvigour.

But had values gone down ? Not very markedly, but there was less business doing. You can quite understand that persons who had bought at a certain price, and who hadseen their neighbours selling at big prices were not going to suddenly descend in their terms. The most marked difference at the period to which you refer was that themarket was quieter.

The Chief Justice in his summing up seemed to infer that the evidence of gentlemen such as Mr Knox and others ~~engaged~~ engaged in trade was better evidence than expert evidence as to values - was better evidence for instance than actual sales in the vicinity. I wish to ask you whether you do not consider actual prices which can be obtained in the market the best test as to the value of land ? Ordinarily it may be interpreted as such, but of course there are times when it may not be prudent to ~~xxxxxxxxxxxx~~ accept all that transpires in the market as a safe guide.

xx

Hawkins Robinson

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799 But as a rule you would consider the prices which can be ~~it~~ obtained in the market as good a test as you can have ? I do not see how otherwie you are to be guided. I may ~~say~~ mention that I was very exercised in my mind to do my duty in this matter, not only in Hills case, but in the other cases. I felt a great responsibility upon my shoulders. For instance I had also the Post Office resumptions to deal with. I can assure you that the work did not sit at all lightly upon me.

800 You have been employed by the Government in the case of a great many resumptions ? Yes.

/ And in connection with that very important ~~case~~ resumption of land near the post office, is it not a fact that £500,000 was involved ? £300,000 odd.

2 Mr F. Clarke I should be glad if you would give the committee any information in your power as to the cause of the difference in the amount paid for the two properties - Mc Quade's and Hill's Mc Quade's case was settled at £85 per foot and the Govt paid for Hills property £145 per foot. Can you give us any idea as to why there should be so great a difference between those two prices ? I cannot see that there is any valid reason for the great difference. It ~~must be~~ was ~~in~~ Mr / Mc Quades own business to determine why they took £85 per foot. Of course there is this disadvantage in the case of McQuades property, in having

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£85 a foot you are paying for a maximum frontage without the same available depth throughout. You see how the land narrows towards the rear. It is generally allowed that when a piece of land runs off narrower at the rear it does not bring as much per foot frontage as does a piece of land which gives a pretty uniform breadth. It is quite possible that the Mc Quade family may have ~~received~~ acceded from ~~her~~ their first valuation. Indeed I think I remember Mr ~~Thomspo-~~ Thompson telling me that they desired to withdraw it ~~xxxx~~ and to enlarge it.

of the bay and the enlarged value which began to attach to wharfage land.

737 You mean to say that in 1886 there was comparatively little value attaching to property at Woolloomooloo Bay for wharfage purposes ? Very little value. The bay at that time was chiefly the resort of small vessels - ketches & timber vessels ; there was hardly a barque or brig visible about the place.

8 Are there any other reasons you can mention just fying the enormous increase of value ? There were many reasons. To showyou how land had grown in value at that place, I may mention that I had been sufficiently long in Richardson and Wrench's office to be acquainted with this fact - that ~~the~~ a block of land with water frontage was, afterwards, sold for £3500 to Dr Morris. ~~Hollis.~~ The identical piece of land was sold by him for £20,000 or £21,000

9 In about what year was this ? I cannot say speaking from memory. The property is still held by the purchaser for the latter figure, who in the year 1890 asked £27,000 for it. The land I ~~have~~ am ~~descrigin~~ describing was at Cowpers wharf and had no ~~whar~~ water frontage. I may also mention that the sale took place in 1888 of a piece of land at Cwpers wharf without water frontage for £7000.

46 Do you know of any other property about Woolloomooloo Bay which was valued at a low price in 1886 and which had increased enormously in value about the year 1890 when this land was taken ? There was a piece of land with 87½ feet to Cowpers wharf with a depth of 120 1-12th feet to Dowling St and with 31 feet to Bland St. I believe I am right in saying that

(6)

GOVERNMENT PRINTING OFFICE
13 DEC. 94
- SYDNEY. -

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

ON THE

WOOLLOOMOOLOO BAY LAND RESUMPTIONS

Wednesday, December 12, 1894.

P r e s e n t -

Mr F Clarke, Mr O'Sullivan,

Mr Lees, MrWall.

MMelees,

Mr Molesworth

Mr Morgan,

J. Morgan, Esq in the chair.

Ernest Augustus Smith, re-called and further examined.

473 Chairman. When the committee adjourned yesterday you were about to state how the case stood when you took the position of Crown Solicitor ? What I was going to mention was this When I went into office I found that on the recommendation of the late acting Crown Solicitor Mr Robert Smith, a board had been nominated. I think it consisted of various heads of departments, and it had been suggested , I believe, that they should meet and advise the Government as to what price should be offered in the case of land resumptions. That was the position.

474 Who recommended the board ? I think Mr Robert Smith recommended it, and I believe it had been approved by the Minister before I came into office.

475 As a matter of fact the board never sat ? No. When I went into the matter it seemed to me that this board would not be

Mr Garland

of any assistance to us in ~~the~~ case we had ~~which would have~~ to go to court. ~~We knew we had~~ to go to court in connection with this particular matter, and we should not have been able to call the members of the board as witnesses with any advantage. They were all officials of the Government, and it seemed to me that it would take up a lot of their valuable time. I think at my suggestion I was instructed to get together the evidence that we should put before the court, if we did go to trial. ~~I think~~ I was to report on the result of my investigations, and the idea of the board was abandoned. I then went to work, and collected all the evidence I could, and it was put before the department in the form of a report.

476 That was some considerable time before the case went into court ? Yes.

You say in a letter on page 17 of the papers written by yourself to the Under Secretary for Public Works, and dated October 13, 1892 that" in accordance with instructions I have caused inquiries to be made with a view of arriving at a determination as to the amount which should be offered to the various claimants in respect of this resumption" Who gave the instructions ? That is the report I have just referred to. — It was under instructions from the works department. I do not know whether I made the recommendation in writing as to the course which should be adopted, but I know that the suggestion came from me that we should not have the board. It seemed to me to be a little bit unworkable from a practicable point of view, and I think the Minister confirmed me in that opinion.

That was the reason the board never sat ? That was the reason it never sat.

2

79 You point out in the same letter of the 13th October that in the case of the Challis estate £172 per foot had been paid ? Yes, that was one of our difficulties.

80 Besids that amount was any allowance made for forced sale ? I am afraid I cannot remember that point. It is not stated in the paper that it was so, but I think it was. However I would not be sure.

81 You will see that lower down in the same paragraph you state that the trustees of Peter Lahiffe had been offered £150 per foot and that the offer had been accepted ? Yes.

82 You go on then to state that the question was at what rate per foot the compensation in respect of the other allotments should be assessed ? Yes

83 And you finally recommend the sum of £75 should be paid all round ? Yes.

84 For the whole of the land held by Hill & by Hill & Co ? Yes.

85 Did you believe at that time that the amount of money paid for Lahiffe's property was too great ? It seemed to me to be so on the evidence.

86 Did you hold a similar opinion as to the amount paid for the Challis estate - that it was too large ? Yes, I think it was.

87 If this was so from your own point of view, not only in your own opinion, but also in the opinion of experts who had valued the property ? Quite so. Of course I went down

to the land myself - I went over it with two officers of the Government. I forget at the moment who they were, but I think that Mr Thompson was one and that captain Jackson was the other. We also had a surveyor with us.

485 Although you use the words "in my opinion", your opinion was really based upon the evidence given to you by other persons who were supposed to be experts in the matter ? Yes.

9 You believed at this time in recommending the payment of £75 per foot all round that there was a large area of land belonging to Hill & party for which they had no water right ? At that time he had not made out his right to ~~the reclaimed land~~ reclaim.

I think that applied to the other portion of the property which was not the subject of the action.

90 Still you recommended the sum of £75 per foot for the whole of ~~these~~ his lands ? Yes, assuming that he could make out his title to the water frontage, it was subject to that. I think I refer to it somewhere in my report. You will see that on page 13 I say "With regard to George Hill No 6 it should be borne in mind that he has still to make out his title to the 150 feet frontage, and no offer should be made until this is done." I think we had been assured by the Solicitors of George Hill that they could satisfy us that they could make out a title, but they had not done so at that time.

/ If they had not made out ~~their~~ that title ~~you would not~~ you would not have named such a high rate as even £75 per foot? Just so. I do not know wht the land would have been worth at all without that right. Of course now I am referring to No 6, I am taking that block by itself. If he had not made out his title to reclaim in front of No 6, I do not know what

The value of that particular block would have been. I do not mean to say that it would have affected the amount of compensation to be paid for the two other blocks.

Prev Previous to that a valuation was made by Messrs Richardson & Wrench, Messrs Mills & Pile and the Government valuator?

Yes.

3 Did they value this particular portion, No 6, at that time? I think their value went only to the block which was the subject of the action, the 300 feet. I see that in my report I refer to that aluation. I say " Another difficulty is the fact that on the first valuation that ws made on behalf of the Government by Messrs Richardson and Wrench, Mills Pile and Wilson and Mr Thompson jointly the amount in Hill and Belisario case No 2 was assessed at £58,447. " I think that was the only valuation we had.

4 No 2 was the only valuation you had at that time ? It would seem that that was the only valuation.

You are not aware whether ~~£130 a foot~~ the 130 ft was valued by any one prior to that date . Was the piece in regard to which you were doubtful about their having at the water frontage valued ? I cannot remember whether there was any valuation on that or not.

Do you remember whether there was any subsequent valuation made in respect of that block ? I cannot remember it. Do you mean by these same gentn?

7 By any one on behalf of the Government ? ---- No, I cannot remember that there was a separate valuation made. Of course

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Maguire Thelwall

my object was to treat this thing as a whole, so that we might act consistently with the various claimants. I was always averse to making these piece-meal offers. I wanted the whole question considered. That was the object of my report. It seemed to me that it would be wise to adopt a uniform rate throughout on the evidence, although in some respects one allotment might perhaps have a greater value than an adjoining allotment. It seemed to me desirable as we had to fight the thing out to adopt a uniform rate as far as we could. As I have pointed out one of the great difficulties we had to contend with lay in the fact that there had been piece-meal dealings with the thing before. We had to get over that.

498 As there was no valuation made of this particular piece prior to your expressing your opinion, on what did you base that opinion ? Generally on the evidence I had collected. I think I enclosed in my report the evidence with regard to the value.

There appears to be nothing here to show on what you based your opinion, unless it was based upon some private report which you may have received ? It was a statement which I got in writing, and which I enclosed in my report. You will see the enclosures I refer to in the third paragraph & that the second of them is "Particulars of estimates obtained".

Is that shown in these papers ? Apparently it is not printed. The 6th paragraph of my report shows the basis of my opinion. I said

From reports which I have obtained from the persons named in the list accompanying, and from the interviews that I have with some of them, it appears to me there will be ample evidence to show that the very utmost that the Government should offer for each foot of frontage is £75. Some of the witnesses, whose opinion would carry weight in a matter of this kind, think that for the reasons mentioned, namely, the want of access and the want of depth, this property has no commercial value. Others value the frontage at from about £40 to £75, the highest valuation being £75.

In sum-

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50 You refer to want of access, and want o f depth . Was there no access to the property ? No, Perhaps I ought to point out this with regard to the Challis block, that it stood upon an absolutely different footing from any of the other blocks on the ground that it had access on the flat. All the streets that run down to Woolloomooloo Bay there, have access to the Challis block; it was really the key to the whole position. If it were in adverse hands, the whole of the owners to the north of the block would have no access except over the cliff at the back, leading from Victoria Street. You will see therefore that the Challis block stood upon an absolutely different footing from the others.

51 The Government having purchased the Challis block if you had made a road through it, the other parties could have had access ? If we made a public road through it - yes.

52 Still you did not take that into consideration - There was no public road there at the time ? No.

53 When you say want of depth do you mean the depth of the land ? No, the want of depth refers to the depth of the water. You will see that I refer to the point just above the paragraph I last read . I say " Another point to which attention should be directed in comparing this property with other wharf properties in the city is the depth of water" I notice that there is a misprint in the following sentence. The word "surroundings" should be soundings.

54 Prior to your making that statement a valuation was made by the Government valuator Messrs Richardson & Wrench and Messrs Mills, Pile & Wilson ? Yes.

7

Plummer Pipelen

306 By whom were they employed ? That was before my time. I suppose they were employed by the works department, but I am not sure.

7 You will notice that in the report of the valuators on page 11 they say "This property is at present of great value" ? Yes.

8 I suppose there are other persons besides these valuers who influence your opinion . You could not have based it upon their evidence , because your opinion is directly opposed to theirs. You say that the property was of no commercial value, and they say that it was of great value ? Quite so.

9 So that your opinion could not be based upon the report of the Government valuators and the men who were employed by the Government to value the property ? No.

10 On whose evidence then did you generally base your opinion ? I think it is stated in my report. I say "I enclose a copy of a joint valuation made at my request by Messrs Hardie & Gorman in which they assess the value at £100 per foot. This appears to be an outside value from an auctioneers point of view, and in estimating property of this kind I should feel more inclined to disregard evidence of that kind, & to trust more to the evidence of merchants, wharf owners, etc" That was really the way in which it seemed to me that we ought to put the case to the jury. Here was a property which it was admitted had its value for one purpose only, namely as a wharf property, & in finding out what is the value of a particular wharf property I thought more weight ought to be attached to men who knew their business than to men who were auctioneers only. That

was the way in which it was put to the court eventually. The Chief Justice in summing up put the case in that way, and confirmed my report to that extent. He lays great stress upon the value of the evidence we had collected from menof that class - wharf owners and others.

11 Did Messrs Hardie and Gorman value the property as a whole in giving the valuation of £100 per foot, or did they make two valuations, one of which was for a higher sum than £100 per foot.? I was under the impression that they made two valuations ? I forget what the valuation was now. The copy ~~have been~~ should be with the papers, I have see it is enclosed.

10 I believe Mr Mc Credie afterwards valued this same property ? I think he valued it before. It was he who had put forward the scheme that I referred to.

12 By whom was he engaged ? I forget whether he was engaged by the Crown or by the other side.. He put the scheme forward in the time of Mr Robert Smith, who dealt with his report.

14 There was a property I think on No 2, that is on the piece of land adjoining the Challis estate. There was a house or something of that kind there - are you aware of it ? I forget that.

15 I believe No 2 is the block in respect to whih the action took place ? I think tere was a small tenement on it, but I really forget.

16 You cannot remember ? No.

17 You do not remember whether there wasa patent slip on it ? Oh yes, there was something of that kind.

9

518 Was it of any value ? I do not think it was considered to be of any substantial value , in regard t the figures we were dealing with of course.

19 Mr Kirkpatrick made a valuation of £112 feet and 123 feet 6 inches. Do you remember at whose instigation that value was made - you will find a reference to it at page 22 of the papers ? I do not think I ever saw this document.

20 He was employed by the Government as assistant valuer , or something of that kind ? I do not know him in connection with this case.

1 You will see from the document on page 22 that Mr Kirkpatrick valued these two lots of 112 feet and 123 feet 6 inches at £131 per foot, that is in the second report. You will see that he allows for building and shed £1200, and for forced sale at 10 per cent £3205 ? Yes.

2 These are the two portions adjoining Mc Quade's property at the extreme north of the Hill property ? Those are the two pieces.

3 This valuation was made sometime after you had expressed a doubt as to whether Hill & Co had a right to the water frontage ? I see the report is dated the 20th September 1893, your letter on page 21 under date 30th May 1893 refers to the question of the water frontage right ? Yes, that is so.

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5 So that the valuation was apparently made some time after that ? Yes.

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Hugh Cattle

526 When I suppose it was conceded that Will & Co had a right to the water frontage ? It was practically admitted. No doubt on that date the 30th May 1893 we had passed the title.

7 That was before Mr Kirkpatrick was employedby the Government to value these properties ? I do not think he had been employed on these valuations at all before then. I do not remember seeing these reports to which you have drawn my attention. Now I come to th nk of it, I have some recollection of Mr Kirkpatrick's coming up to my office, and telling me that he was going down to value the property. I think that was after the ~~trial~~ trial. I know that he wanted some information.

8 When did the trial take place ? I think it was at the June sittings of 1893. I believe that itwas some time after that that I saw Mr Kirkpatrick.

9 If you turn to page 22 you will see that the Under Secretary forPublic Works asked whether the land// ~~had been~~ re-valued. Further down there are the words " Yes, let Mr Kirkpatrick value" following which are the initials of Mr Lyne ? Yes..

30 It is therefore apparent that he was employed by the Government to value the land ? I think that it is very likely that he then came up to see me. I have some recollection of it.

1 lookingat the valuation of Mr Kirkpatrick you could not have based your opinion upon that ? Which opinion do you refer to.

2 Your opinion generally that the land was only worth £75

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Cartledge Miller

per foot ? No I had not Mr Kirkpatrick's valuation before me when I came to that conclusion.

533 The trial took place, and the jury gave a verdict for £200 a foot ? Yes.

534 You moved for a new trial in the matter ? Yes, we moved at the next term.

535 And prior to that new trial there was a meeting of counsel engaged by the Crown ? Yes.

536 To consider the probability of the success of the new trial I presume ? Yes. We had a consultation before we moved for a rule nisi, that was the first step - itwas to settle the grounds. We settled our grounds at the first concultation, and the rule nisi was obtained on some of those grounds.

537 On what ground was the rule nisi obtained ? Thw two main grounds were first as to His Honor's direction to the jury with regard to the right to deepen , and the other ground - the main ground - was that the amant was excessive and against the weight of evidence. Those were the two chief grounds. We may have had some technical points, but I do not think they were very substantial.

538 Was it the unanimous opinion of the counsel present at the consultation that applications should be made for a rule nisi? They were unanimous that we should apply for our rule, & it was after we had obtained it that another consultation took place with the Attorney General . It was a special consultation held under his direction. He sent for me, & told me that the matter had been referred to him, and that he wanted to see counsel.

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Muller
Wall

539 You were successful in getting your new trial, but the procesdings were stayed by some one - you did not go into court ? No. The trial was first on the list for the March sittings.

540 And it was stayed by the action of some one ? It was stayed eventually by the thing being settled. It was called on, and was adjourned for a week. I ~~was att~~ was instructed by the Attorney General to get an adjournment for a week in order that we might consider the whole position. Eventually of course, the case was struck out.

1 By whom was it settled ? It was settled by a minute signed by Mr Lyne.

2 Are you aware that it is stated that it was settled by a cabinet meeting ? Yes, I understand that. It was in pursuance of a cabinet meeting that the thing was settled.

3 The cabinet minute was signed by Sir George Dibbs stating that the case had been settled ? Yes,

4 So that really it was not settled by Mr Lyne but by the cabinet. ? let me make myself quite clear. When you ask me by whom the matter was settled, I say by Mr Lyne. He was the person to settle it eventually in such a way as to bind the Government . One of the questions we had to consider was whether there was a binding and legal settlement. Counsel advised me that the memorandum having been signed by the officer who was the party on the record it was binding. It was signed "W.J.L." & that I presume was Mr Lyne's signature. He was the defendent on the record, and the case having been settled

by him we could not dispute it. Of course I am well aware that it was settled by him in pursuance of a cabinet decision. But some other person might have put his name to the thing and it would not have been legal and binding. That was the view we took of it.

345 I want to be clear upon this point. I want to discover whether the case was settled by the Minister behind the back of the department, or whether it was settled by cabi et meeting ? It was in pursuance of the cabinet meeting I understand that the offer was made.

6 You are aware that the case was brought before the cabinet? Yes.

7 I suppose you are also aware that the matter wa settled by a majority of the cabinet ? I do notknow what was done in cabinet. I only know that I saw the minute.

8 Is the minute referred to that which appears on page 33 of the papers and signed by Sir G Dibbs. ? Yes.

9 In your letter to the Secretary of the Attorney Genorl on 12th March last you say that have distinct offer to settle on specified terms has been made by a Min of the Crown and the plaintiffs solicitor and they have accepted these terms unconditionally in writing " is that strictly correct ? I think it is.

10 It has been stated that the offer of Hill & Co to settle came from the manager of the bank of N S W and Mr Belisario two of the parties interested ?

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Mr Ambler

Yes. Of course I do not know what offers may or may not have been made at that time by the persons interested. All I knew was what I heard before me. It appeared that there had been a ~~meeting~~ decision of the cabinet, and that it had been so dealt with by some one in authority as to bind the other side ~~with the crown~~ who had clinched the matter by signing a document.

331 As a matter of fact are you aware of any offer having been made by a Minister of the crown to Hill & Co or any one else. ? Did any Minister offer to settle the case on any specified terms ? I do not know about his offering, but I know he had been approached by the other side. They made certain proposals I believe.

Y What do you mean by being approached ? I mean that an offer had been made by Hill & others.

3 To settle the case ? Yes.

4 Then it is scarcely correct to say that a distinct offer to settle upon specified terms had been made by a Minister of the Crown ? I do not want to say or do anything which may mislead the committee or any one else. I do not wish it to be inferred from that paragraph that the Secretary for Public Works, or any other minister of the Crown had on his own motion made a distinct offer. I think that if the whole report were taken together it would not bear that construction. What I do wish to convey is this that the cabinet had decided on a certain settlement that it had been communicated by a Minister of the Crown to the plaintiffs solicitors, and that they had accepted it. That is what I meant, and I think what I wrote bears that construction

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5-55 MrWall. That was your opinion in view of the minute ?
Quite so.

6 Chairman. You were strongly opposed to this settlement ?
Yes.

7 Why were you opposed to it ; on what grounds ⟵
was it because of the excessive price which in your opinion
was being paid for the land ? Yes, I was opposed , not
only to the settlement itself, but to the way in which it was
carried out. That was my strongest ground of objection. I
should certainly have been opposed to any settlement on these
terms for the reasons that it seemed to me that we had a
very good case to put before a jury on a second trial & that
I thought we ought to have gone before a jury. That was
my opinion.

8 Had you any fresh evidence to put before the jury ? No.
I was very well pleased with the way in which the case worked
out before the court; so were counsel. No doubt there were
difficulties in our way. But I thought from our experience
of the trial that we had as good a show and we might do
better at the second, especially in view of the opinion
of the full court with regard to the right to deepen. We were
in a strong position then I consider.

9 Are you aware that in most cases where the right to
deepen a water frontage has been applied for it has been
granted ? I am not aware personally, but I think it is almost
admitted that it is generally granted. Of course there
is a great difference ~~in the claim of~~ between the claimants deepening.

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Mitchell (1) Brien

360 In view of the fact that £172 per foot had been paid for the Challis estate, that £150 per foot had been paid for Lahiffe's property, and in view also of the price which had been paid for Brown's did you ~~still~~ st do you still think you had a fair chance of success on the new trial? I think so.

| Is it a fact that some of the money paid for these properties - the Challis estate, lahiffe's and brown's was proportionately greater than the amount paid for Hills property? Undoubtedly more was paid for the Challis estate, but as I pointed out in my first report I could distinguish that case, because it stood absolutely alone on the ground of the question of access. Any one who goes to the place and sees the property will see that that is obvious. All the streets there come right down on to it.

7 Is lahiffe's property was far removed from that, it was on the other side of the Hill property was it not ? yes, it was between the two Hill properties.

3 And for that the sum of £150 per foot was given ? Yes. As I pointed out in my first report I think that was an excessive amount. It shows the danger of dealing with these things piece-meal.

4 I suppose lahiffe's and brown's property would also stand alone, independently of any other property ? Yes, you see they were such small pieces - 15 feet and 30 feet.

5 Are you aware that the verdict would amount to per foot in the case of Brown's property. I think I stated that yesterday.

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I believe the verdict was for £2200. We took off that ethe amount which Brown swore was the value of his house, in which he was supported by some other evidence, that is the sum of £700. That reduced the amount to £15,00 or £100 per foot for the bare land.

You still think, notwithstanding the prices paid for Brown's and Lahiffe's property and for the Challis estate that the sum of £145 per foot which was paid for the settlement of the Hill case was too great ? I think £145 for the three lots settled at that rate was certainly excessive.

You are aware that it included the buildings on the land ? Yes.

And a patent slip ? Yes.

And also that 10 per cent was not allowed for forced sale as in the case of the Challis property ? Yes, of course I was strongly opposed to the settlement of the action. I pointed out, I think, with regard to the land which was the subject of the action that itwas a fallacy to say that the settlement was for £145 per foot. No 2 property which was the subject of the action had No 5 and 6 thrown in with it in the settlement, And comparing Nos 5 and 6 with No 7, that is Mc Quade's property which was settled for £85 per foot you have only to look at the plan to see that if No 7 is worth only £85 per foot, then Nos 5 and 6 would not be worth more. We had a clear issue to fight in the case of No s 5 and 6, and they would not have got nearly £145 per foot. As I think I have before pointed out, if you take the figures and put Nos 5 and 6 at the same

rate as No 7 namely £85 per foot, you will find that the Govt paid at the rate of about £190 per foot for No 2 block which was the subject of the action. That is what I mean.

370 Have you worked out the figures to prove that the Government would be paying £190 per foot ? Yes, I did work it out at the time ~~with~~ when the Attorney General ~~who~~ referred the Minute of the late Secretary for Public Works to me.

Do you think block No 2 of the Hill property is actually worth less than the Challis estate property ? Yes.

Has it a greater depth ? Not a greater depth.

Is there a similar depth ? I forget the exact figures, but I fancy that the Challis property was deeper.

You were generally disgusted with the settlement at £145 per foot all round ? Yes.

And you wrote a strong report to that effect ? I wrote a report under date 12th March which appears on page 34.

You were of opinion that once the matter had been placed in your department that neither the Secretary for PublicWorks nor indeed any other ~~[illegible]~~ minister the right to take it out again without the authority of your department ? I do not say without the authority of my department, because I do not mean to say for one moment that my department was to dictate to the Minister in any way. But what I do say is this that when a case has been referred to the Crown law

department for legal action in defence of the crown's interests which really mean the interests of the public, it ~~is~~ was wrong for any action to be taken by the department who sent the case there without first referring to the Crown law officers, and hearing what they have to say on the matter.

57 In the two cases settled by the Minister Mc Qunde's and Hill's were the prices paid lower or higer than the settlement in the other cases - I mean the Challis estate and brown's and ~~Mr~~ Lahiffe's property ? Mc Quade 's price was lower, that was £35 per foot, the price of the Challis estate was £172 per foot. You already have it in evidence what price was paid for Brown's and lahiffe's properties. Hill and party received all round £145.

Q In your reference to the secretary for Public works in your minute do you intend to impute any dishonest motives to him ? I do not know whether I am bound to answer the question as to what my intention was, but I would be the last person in the world to impute anything to any one. If I wanted to do anything of that kind, if I had anything to say of a person I should say it straight out. I confess, now since you have asked me the question, that ~~I do~~ that what I do not understand ~~was done~~, I could not make it out at all. I could not understand why the thing should be done in this way. That is the utmost I think I can say.

9 I might put it in this way. Had you any reason to guide you in thinking that the Minister had been influenced by any personal considerations to settle this claim ? No, I cannot say that I had. As I just now said if I had anything of

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Ironside Otter

the kind to say I should have said it straight out. But I did not understand at all why the thing was done in this way.

Do you think ordinary prudence ~~has~~ would exercised in the settlement of this claim by the cabinet ? No, I do not.

I think that if the board of directors of any company were to act in the same way - well I know what a court would say to it in the interests of the shareholders.

Mr Wall. The rule nisi you state was granted on the ground, among others, that the plaintiff had not the right to deepen the frontage ? Yes.

That would of course, necessarily alter the question of valuation - it would carry with it the question of valuation? It put us in a stronger position. I do not want it to go abroad that there has been any great alteration of the law as the effect of the Full Court's decision, but if I may say so with all respect , I think ~~cb~~ His Honor the Chief Justice went a little bit too far in his direction to the jury. we laid it down that they might assume that the plaintiffs had an absolute legal right. That is what it amounted to roughly.

I see Mr C.R. Stephen in the consultation that took place was inclined to the opinion that the question of value was one entirely for the Jury ? Yes, I remember that.

30

Were not the Challis estate and the Lahiffe propert in exactly the same position in regard to the right to deepen the frontage ? Exactly.

21

Peter Warren

785 Then if an error occurred in the valuation with regard to this property conceding rights which the owners were not supposed to possess the same error occurred in the previous valuation of the other estates ? Yes , if ths b valuations thereupon those lines - that the owners had an absolute legal right..

6 The payments in the case of the Challis estate and Lahiffe's property were not made during your term of office ? Challis's case was settled before I took office, and in lahiffe's case an agreement was concluded. I do not think the money had been absolutely paid but an offer had been accepted, so that there was a complete agreement between the Crown and the claimant. In Brown's case we went to a jury.

7 Was any recommendation made to the department in connection with these estates, pointing out that the owners had not the a right to deepen the frontage and that the value might be dncreased by contesting that right ? No, I do not think it was. The whole question was treated not on the basis of each individual having an absolute legal right to deepen , but on the basis that it would be a fair thing to put to the jury that it was a well known thing here that the Government would allow the deepening to be made almost as a matter of course. That is what I meant just now. but in saying that I do not wish to be taken as expressing the opinion that the ruling of the Supreme Court will alter the practical law of the question. But the view of His Honor the Chief Justice as to an absolute legal right to deepen was

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Fraser Peake

held to be an erroneous view.

58 Was submitting a case of that character to a jury would not the fact of the right to deepen having been always conceded in cases where a valuation was made, have practically the same effect in arriving at the valuation as if a legal right existed ? It is impossible to say. Of course in each case, you would be able to rebut the ordinary presumption by that a right to deepen would be given by showing that in a particular case it might not ~~have~~ be obtained.

9 I should like to get the legal aspect of this case. IN contending against the Minister inregard to it you take advantage of this technical objection which might be raised ? No. I think the basis as I mentioned just now on which the whole thing was dealt with was of the assumption that the individual would be allowed to deepen as a matter of course.

10 I am taking now the address to the jury of His Honor the ChiefJustice that this right should be conceded to the plaintiffs ? His Honor laid it down that the jury must assume that the plaintiffs have the right.

11 The jury being advised on that particular point arrived at the conclusion upon the whole of the evidence whichthe department had to produce ? Quite so.

12 Was there any additional evidence which was brought forward at the new trial apart from that forthcoming at the first trial ? No, I do not think we had in our minds any additional evidence at the time of the consultation.

Leube Taylor

393 Then practically what the new trial was based upon was the direction to the jury by His Honor in regard to the rights claimed by Hill which were not strictly legal rights ? ~~No.~~ The new trial was granted on that ground alone, but in the new trial itself we should have put it to the jury that the first verdict was ~~absolutely~~ excessive. That was the second ground upon which we applied for the rule, but it was not argued before the Full Court

4 In the previous trial the evidence you produced was to show that thevalues were excessive ? Yes.

5 Had this question of the right to deepen the water frontage not arisen would the department have obtained a new trial ? Yes, we should have argued the second ground. We were prepared to argue the second ground that the verdict was excessive. ~~If the co~~ If the court had not been with us on the first ground we shouldhave arguedthe second

6 In one of your reports you offer a suggestion that the Attorney General should be the nominal defendant in all cases of this kind ? Yes.

7 That appears to be the strong point of contention between your department and the Works department in regard to the settlement of these cases ? That was one of the things which I felt it to be my duty to draw marked attention to in connection with these cases, but as I have pointed out before, it is no new matter between our department and the works department.

8 Do you regard it as one of the functions of your department

to deal with the values of properties which have be een re-
sumed ? I do not think it is as valuations simply, but I have
often drawn attention to this that it would be of very great
value to the public if the valuators department were more in
touch with the Crown Solicitor's department. I think that in
any doubtful cases it would be very wise if the valuators
would refer to the Crown solicitor if they expected a fight
over the matter & consulted with him before areport was sent
in. The Crown solicitor is charged, and it is a very grave
responsibility, with putting a thing in a proper manner
before the court, and he is often handicapped by finding
that the valuators simply from the absence of legal assistance
and advice have made admissions and so on injuring the
case, and making it difficult to put a fighting case before the
court. I have often drawn attention to that. While I think
the two functions are quite distinct - that of valuing the land,
and that of affording legal advice as to the valuation, I think
the two departments ought to work together.

599 In dealing with evidence submitted to you as to these
valuations by the works department, and your position of Crown
Solicitor, I presume you would recommend in accordance with
the chances of success in contesting any legal point ? The
first thingI would do would be to go to the evidence and
see what sort of case we could put before the court.

600 Thenthe question of values would not enter into your consider-
ation any further than as regards the evidence on which those
values were based ? Quite so..

And the possibility of your succeeding in any action that

Donaldson
Mr Irvine

might arise in connection with it ? Yes I should feel it my duty of course to test the values as faras I could by seeing the witnesses and cross-examining them in my own office as far as I was able.

And if it were possible for you to have access to the valuations made by the other side, and if the preponderance of the evidence were in favor of the Government valuations you would advise that the matter be contested ? Yes.

3 In regard to these cases which have been referred to - the Challis estate and Lahiffe's property, viewing those cases In the ~~s me light in which you appear~~ to regard Hill's claim that is the owners not having the legl right to deepen the water frontage , had those casescome before you would you advise that the mat ter be contested ? It was assumed in Challis's case that they could get the right as a mattr f dourse.

4 That was so in both of the cases ? Yes.

5 You state that this friction has existed for some time between these two departments, & it was that which n induced you to make the recommendation that the Attorney General should be made the nominal defendant in such cases ? Yes, it was in consequence ~~of that~~. It was no new matter to my mind the thing had occurred to me before. If the Attorney General had been the nominal defendant in thiscase, and it had become a cabinet matter, nd it had been decided to settle the claim the fact of the Attorney General being the nominal defendant would not have prevented a settlement ? No, but the Attorney General would have to sign it.

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667 Take a hypothetical case. We will assume that the Attorney General was the nominal defendant in ~~these cases~~ this case and that the matter had been settled in precisely the same way as this case has been settled in virtue of a cabinet minute by the Minister who was the nominal de fendant. Would you have taken the same exception to the settlement of the case by the Attorney General as you have taken in this case ? Yes, I should have taken objection. Of course in this case you must bear in mind that the Attorney General who is my ministerial chief had called upon me for a report upon the matter, and I had to report, but if he had taken the same action without sending down to me to know how the thing stood , & if I had thought that by reason of my not having put before him something of advantage, the public interest had suffered, I should certainly have drawn attent on to it. I should have suggested that in all future cases before dealing with matters of which I had charge as Crown Solicitor he should send down to me and obtain my report.

Q You would have taken up the same position as you have taken up in this case ? Yes, because it goes without saying that it would be impossible to carry on business with any hope of doing any good at all if ~~independent~~ independent action were taken by the nominal defendant without referring to me.

Q Are you aware that the Attorney general was present in cabinet when this case was decided ? I do not know what took place in cabinet, and who was there. I know, however, that the

Mr Barton

matter was referred to the late Attorney General, Mr Barton, to deal with, and that he spent a lot of time and trouble in dealing with it, as can be seen from the printed papers. We took up a certain position, and that position was absolutely given away.

6/6 At the time of the consultation which took place between Mr C B Stephen , Mr Pilcher, and the Attorney General in regard to this case did you know what was the amount of the verdict per foot, and the amount of the costs ? No The verdict per foot was £200.

// And they had no knowledge at the time that the plaintiffs would be willing to accept £145 per foot ? No. All that the Attorney General said at that consultation was that he had understood that there was some - I do not know whether it was exactly an offer but some idea of settling at £130 a foot. The conclusion arrived at was that that was far too much, and was not to be looked at.

12 You made some comparison just now with regard to Mc Quade's property portion 7, & you said that portions 5 and 6 were portions of a similar chara ter, and would be of the same value ? Yes.

13 The amount paid in Mc Quade's case was £85 per foot ? Yes.

14 You are aware that in the case of that bloock although it has 510 feet frontage the superficial area is not equal to a 510 ft frontage block ? No.

Church Lamrein

615 It is only 190 feet at the back ? Quite so, it is not square.

16 Squaring that block would have given it only 350 feet frontage ? With that depth - yes.

17 So that actually the compensation paid for that block was something very much more than £85 per foot ? I should not argue in that way myself.

18 That is the view the valuators have taken that an equal frontage with an equal depth at the back would be of exactly the same value ? ~~If the thing were worked out~~ If the block were extended in that direction it would be a more valuable block, but I was simply comparing it as it stood with Nos 5 and 6.

19 And if it had been a square block taking the valuation at £85 a foot as compared to a square block, it would have amounted to something like £120 per foot ? Possibly.

20 Mr Lee. Do you remember the date of the settlement of this case by the cabinet ? The news of the decision of the cabinet was conveyed to me by telegram which I received at Wentworth Falls.

/ On what date ? I am afraid I cannot say. I know they sent me up some papers. I remember applying for leave, and going away just after I sent in my resignation. ~~The telegram appears to~~ My telegram in reply appears to have been sent on the 9th, and was received by the Crown Solicitor's department on the 10th.

Lanner

622 The ~~telegram you received xx at Wentworth Falls~~ (That) was the first intimation you had of the settlement of the case ? No, I do not think it would have been the first intimation. My telegram reads "Documents received. As minute of last instructions not sent impossible for me to say whether alleged settlement final and binding". If I remember rightly what was done was this . They reported to methat the settlement had been made, and I telegraphed back to have the papers sent up that I might see what it was. They came up, & I then said that as the minute of the last instructions had not been sent, it was impossible for me to say whether the alleged settlement was final and binding.

3 You will find a letter on page 32 under date of March 5 from the Crown Solicitor's office ? Yes. That was written in my absence. It was evidently onthe 5th that they first informed me of the settlement.

4 The letter acknowledges the telephone message to the effect that the case was settled ? Yes.. I presume that it was then that they wired up to me, and that I wired down for the documents.

5 Hadyou received any prior information to that of the 5th March ? No. The signature of the letter to which you refer is not mine - I was not then in Sydney.

6 Your office had evidently been informed of the settlement? Yes, but I do not want to speak of anything that is not within my own knowledge.

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Right Hon

627 As far as you remember you had no prior intimation of a settlement ? No. I went away from Sydney on the Friday I think with the full ~~intention~~ anticipation of the case coming on on the Monday week. The case was set down, and we were all ready for trial.

Q You were not aware that it had been settled by the cabinet on the 15th February ? No, I certainly was not aware of that..

Q Have you known since that the case was settled on that date ? Now that you mention it I ought to have known that it was so settled, but I confess that I did not. The date of the cabinet minute would speak for itself.

36 let me refer you to the latter part of Mr Lyne's minute on page 36 ? Yes, I see that.

1 Yousee from that minute that Mr Lyne states that the case had been decided by the cabinet on the 15th February ? Yes.

2 Yet as CrownSolicitor you had no intimation of it prior to the 5th March ? No.

3 Further on you will see that theAttorney General in his minute acknowledges the receipt of the minute of the Secretary for Public Works and refers to the date at which the matter was settled in cabinet ? Yes.

4 Now turn to page 32 to a memorandum of your own. That memorandum has reference to the case then pending and to be set down for trial after the new trial had been granted ?

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Bark Champion

Yes.

635 So really it would appear that although the case was decided by the cabinet on the 15th February yet on the 19th of the month you were ignorant of it, and were making arrangements for the re-hearing of the case ? That appears to be so. I confess I have not noticed that the cabinet had dealt with the case on the 15th until this moment.

6 Whatever the cabinet had done in the case you were in ignorance of it ? Yes. I was taking the necessary steps to get the case on for trial.

7 If the cabinet had informed you of its decision immediately after the 15th February would you have gone onwith the case, or would you have accepted the cabinet's decision as final ? Of course if I had heard of anything of the kind, I should have asked for instructions at once. I should have asked for definite instructions in writing.

8 The reason why you appear to be proceeding with the case on the 19th February is that you were unaware that it had been settled on the 15th ? Yes.

9 You referred just now to the amount paid to Brown for the 15 feet resumed from him ? Yes..

40 The valuation of that 15 feet was £125 per foot was it not ? Yes.

1 You noticed the position of that piece of land on the plan - there is only a 15 ft frontage ? Yes.

2 As a matter of fact it would be a useless piece of land

for wharfage purposes ? ~~Ans~~ Absolutely useless I should think. Of course I am not speaking as an expert.

643 It would appear that Brown wqs dissatisfied with the offermade to him and went to law ? Yes.

4 When he obtained a verdict equivalent to £200 per foot ? Yes, deducting the amount of the improvements.

5 And your contention appears to have been that the cabinet wre wrong in settling Hills case at £145 per foot with a Supreme Court verdict against them of £200 per foot. What reason had you to suppose that that verdict would have been reduced had you gone on with the second traial ? The only reason I can give to put it shortly is the reason which weighed in the consultation to which I referred just now tht the whole of the evidence on both sides having been carefully scrutinised the conclusion arrived at was that ~~as a matter of evidence~~ the weight of evidence on the part of the Crown was such that we ought to succeed even if we started at £75 per foot.

6 You think that the Crown had reason to suppose that it would have obtained a reduced verdict equivalent to £125 per foot ? I think we should have reduced the figures considerably.

7 Reduced them to what ? Our highest point was £100, that was Hardie and Gorman's valuation. But we put our case mostr strongly on the evidence of men who knew what they were talking about and not men who were simply guessing at values, because after all ones experience of the

of the valuation given by auctioneers is that they often amount simply to guesses & the strength of our case lay in the overwhelming evidence on the part of the Crown which was adduced from men in a good position here and who knew what they were talking about - wharf owners and others. That was the real point of the case. It was admitted that the property had a value solely as wharf property.

648 Had you arrived in your own mind at what amount you thought the verdict would be reduced to, bearing in mind the £200 a foot verdict standing against you ? Something under £100. I do not think we hoped to go much below £60 or £70 upon our evidence - it would be something between that and £100.

Q When you fixed that amount in your mind did you think at the time that theonly other person who had gone to law was Brown who had obtained a verdict equivalent to £100 ~~equivalent to £100~~ per foot for a useless piece of land with 15 feet frontage ? ~~It was no~~ It was not useless, he had a house there and he lived there..

I am basing my figures upon the actual verdict £100 per foot for 15 feet - had you that in view ? Yes.

/ Then the comparison was this - that Hills property with 303 fest water frontage would be worth only between £70 and £100 per foot , while a useless puece of land carried a verdict of £100 a foot ? Yes. But I think the amount paid in Brown's case was too much.

2 You thought the amou t too high ? Yes, I recommended £75.

53 Did you advise an appeal against the verdict ? No. I would not advise an appeal in a case like that, because it was getting very near our own figures.

4 Then although this comparatively useless piece of land had obtained a verdict of £100 per foot, and although the 303 feet of Hills property had received a verdict of £200 per foot ~~you are~~ yet you were going to contest that ~~last~~ verdict upon the supposition that it would be reduced to between £75 and £100 per foot ? That was the reduction I was prepared for, having given the best attention to the thing that I could.. I was prepared to advise that the Crown had a good chance of getting a verdict of something between £70 and £100.

5 Considering that the plaintiffs had received a verdict of £ 200 per foot, and that they subsequently accepted £145 per foot , do you not think that was a reasonable reduction considering the expense attendant upon a new trial ? No, I do not. I tink we were in a very strong position, & that we ought to have fought the case. As I pointed out just now the settlement included a thing which was quite new ground , lots 5 and 6. In regard to those blocks we should have had an open issue, and we should not have been handicapped by discarded valuations.

6 It would appear that Hill & Co gave up £55 a foot on 303 feet & received £14 a foot more than the Government valuation for ~~£xx~~ 235 feet ? Yes.

7 You have said that MrKirkpatrick valued the land at £131 per foot ? The papers I have just seen show that he did, but I didnot know it before.

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638 So that the final settlement will be what I have just stated ? Yes.

9 And you think that that was an improper settlement of the claim ? Yes. I do not agree with that valuation at all - I mean the £131. I thought we had obtained all the evidence which it was possible to get upon the question without getting further reports.

6. You say that when you were informed that the case had been settled behind the back of the Crown Solicitor you did not understand it ? Yes.

7 You have also said that this is not the first time that matters of this kind have taken place in the works department? Yes.

7 Have you any special reason for saying that you do not understand why this particular case should have been settled in that way ? I could not understand it. I do not to this day understand why such a proceeding should be adopted.

3 But apart from what appears to you an extraordinary proceeding on the parts of the works department in settling a case under reference to the court , have you any direct evidence to give to this committee to show that the settlement was improprtly arrived at ? I cannot say that I have any direct evidence to give.

Have you any indirect evidence ? Well, I do not

quite know how to answer that question. As I say I d d not know what to think at the time, and at that time I had no ground for any charge of impropriety of any sort..

6563 I do not want to ask you any question concerning any matter of which you have no knowledge yourself, but do you think the interests of the country have been sacrificed in arriving at the settlement which has been made in this case ? I think so What if felt about it was this. We had beenworking pretty hard upon the case in the Crown law department . I do not want to take any credit to myself, but the officers under me had been working pretty hard, and with the assistance of counsel for the Crwn we hd got the thing into a solid position. To my mind that position was absolutely given away without a word being asked from us.

6 And you do not retire from that position now ? I do not.

7 What the circumstances were which led up to the final settlement in that way you have already said you are not prepared to state ? No.

8 As a matter of fact do you know ? I do not know.

9 But would the fact of a final settlement being arrived at in that way expose the Government of the day to suspicion ? That is a matter which it is entirely for each individual to judge for himself, I should think.

70 But it was not the first case that had been settled in that way inthe works department ? No. I referred to the

37

other case - that of Rochester

6 MrO'Sullivan. You say that in your opinion your case was in a very solid position, and that it was given away by the Minister ? Yes.

7 What was that solid position ? That we had a rule absolute for a new trial, and that we had all this evidence to which I have referred.

8 All what evidence; do you mean the evidence given in the previous case ? Yes..

9 And you contend that with the evidence given at the previous trial in which a verdict of £200 was given for Hill, that you were in a strong position ? Yes.

10 How could that be ? The verdict was grossly excessive on the evidence.

11 But do you think it would have been discovered to be excessive to the extent that you contend ? It is only my opinion. That is the opinion I formedof it.

12 Are you going on your own opinion , or uponthe facts of the case as brought out in the evidence ? The facts of the case as brought out in the evidence, and as threshed out by the two counsel for the Crown and the Attorney General.

13 Were you aware when you got your case into what you call a strong position that the trustees of the Challis estate had received £172 per foot ? Yes.

679 That estate adjoined the Hill property ? Yes..

So That being so how could you hope to reduce the amount from £172 per foot to £70 per foot ? As I have already pointed out the Challis block stands by itself.

That But it adjoins the other property ? Yes.

Y Were you aware at the time you took this stand in referene to the strong position of your case that Mr Mc Millan had practically recommended the payment of £175 per foot for Hill's land ? No, I did not know that. I was asked that yesterday I think, but I could not bring it to my mind at all.

I presume however that you were aware that it had been the practice of the department to give authority to deepen water frontages for all persons who applied for it ? Yes.

4 And that no exception was likely to be made in the case of Hill ? ~~I do not know~~. I do not know of any reason why it should have been made.

5 Was not that one of the grounds upon which you were going for a new trial ? It was the ground upon which the new trial was granted by the court. That being the reason for the new trial is it likely that any jury knowing that the right had been given to all other persons who had applied for it would have assumed that it would have been refused to Hill ? I do not know that we should have got any evidence to show that it

6 Q.

it would have been withheld in his case.

687 At the same time it was the main point upon which you asked for a new trial ? Yes.

Still you seem to admit by your answers that it would hardly have been a tenable ground before a jury ? I am not clear in my mind as to how far the Full Court's decision would go in blocking the plaintiffs in a case of this kind from showing that as a matter of practice, although not of right, they would have been allowed to deepen.

As a matter of equity would any court have withheld that right from Hill knowing at the same time that it had been invariably granted to other persons ? It is not a question of what a court would or would not do. It is a question of the proper way to put a case to the jury as a matter of law. My own opinion is that the proper way to put it to the jury would be that ~~they were entitled in estimating~~ the whole issue before them was to determine what was the marketable value of the land at that particular date. In settling that I think the jury would be entitled to take into consideration the chance of getting the right to deepen from the Crown. I think that it would be fair to put it to them in that way. It would be fair to say "Well gentlemen you know that as a matter of course the owners of water frontages have always obtained that right." That is the view I should take if I were acting for the claimant , and I should press it strongly.

34

Speaking of the chances would there not be on the side of Hill getting the right and when that matter was put to the jury

who would be more swayed by considerations of equity ~~and~~ Law of law would it not have weight ? I think ~~they~~ Law could put that contention with very great force. & I think you would get the jury with you, but you have to bear in mind what is the rightway to direct ~~the~~ a jury. If you direct them wrong it may mean a new trial. ~~The Chief Justice ac~~

691 The Chief Justice is acknowledged to be a sound lawyer ? Oh yes.

2 He did not seem to hold the same opinion about the right to dsepen that you hold ? He did not. As the Full Court have held he went a bit too far the other way.

3 In speaking of the question of valuations you seem to think that auctioneers such as Hills & Pile and Richardson & Wrench would guess at the valuation of a property like this when their opinion was asked, and when they were paid to give it ? It amounts to guessing, and ~~that~~ it would be so in Mr Gregg's case I think, although I have a very high opinion of him, and should not wish for one moment to say a word agsinst him. It is, however, absolutely incomprehensible to my mind how he made the valuation in this case in view of his former valuation of £8000. As you know , for I think it appears in the papers, I sent down to Mr Gregg and he was good enough to come up and see me, and I had it out with him. I did my best to understand it, but I confess that to this day I am ~~also~~ absolutely incapable of understanding how any one could give two such divergent valuations in so short a space of time.

41

a space of time

692 I presume that you will allow that Mr Gregg is a competent man ? Certainly.

693 And in the matter of valuations he ought to be a better judge than yourself ? As I have said, I do not pretend to be a land valuer.

694 Ought not great regard be paid to the evidence of Mr Gregg as the representative of a firm which has such a prestige in this city as valuators that it is almost impossible to sell such a property without their endorsement of value ? Due weight ought to be given to his opinion

695 In your telegram from Wentworth Falls you used a word which seemed to raise the hair of the late Secretary for Public Works. You talk of the "alleged" settlement ? The alleged settlement was this. I had no papers before me to show that the papers had been made, & I was not going to admit that there was any settlement

696 Notwithstanding that it may have been made & in point of fact was made without your knowledge ? Yes.

697 Subsequent events showed you that it was a genuine settlement ? That it had actually been made no doubt.

698 So that in point of fact it was not an alleged settlement but an actual settlement ? No doubt it was.

Yes I presume you did not mean anything offensive by the use of this word, but simply that at that particular time, you could only regard it as an "alleged" settlement ? That is the only way in which the word "alleged" is used. I think that is apparent from the nature of the telegram. I sent down for the papers, and I said that it was impossible for me to say whether the settlement was final and binding. It had been "alleged" that one was made, & I said I could not say whether the "alleged" settlement was final. That is the only sense in which I used the word there.

Q If you had known of the decision of the cabinet, and also of Mr Mc Millan's opinion in respect to the valuaton of £175 for Hill's land, and all the other circumstances would you have prepared for a second trial ? I think so. But I should have taken the precaution of seeing Mr Mc Millan to see if he could throw any further light upon the matter I should have been prepared to go on subject to any new light which might have been thrown on the matter. But we had threshed this thing out in the Crown law department to such an extent that as far as evidence goes, I do not think we could get anything further.

Q I desire, Mr Smith, to ask you a straight question, and it is this Had you any reason to believe in your own mind from what you saw or heard, or what came under your notice in any shape or form, that there was anything like a corrupt or improper settlement made in this matter ? I

do not know whether I am justified in repeating a conversation I had with Mr Hill. That is the only thing that I know of, which would lead me to doubt it at all.

704 I think in this matter we are entitled to get the fullest information concerning anything in your mind bearing upon it. I think we ought to hear the conversation to which you refer, and more particularly as Mr Hill is present ? I do not want to give it, unless I am pressed to mention it.

b' Chairman. I think it should be given ? The conversation was this. I remember it very well as it was the last day before I left office. It was on the Friday after it had been arranged for Mr Colquhoun to come in on the next day, Saturday . Mr Hill was announced, and he came in to see me. He said at first that he had come up to ask me to press on the completion of the carrying out of the settlement in this matter. I told him that I was going the next day, but that I had no doubt that Mr Parkinson the chief clerk would push the thing on for him & get it completed. We then went on to tell me that he had been very badly treated in this matter. I told ~~me~~ him after ~~him after~~ he had been talking a little ~~of~~ of the bad treatment he had suffered at the hands of the Government that it was no use for him to talk to me in that way. I said "You know it is no good talking to me like that. You know perfectly well what my opinion about the value of this land is" & he said "But you do not know that Mr Lyne has treated me very badly. We promised to give me more - a good deal more" Then he went on to tell me that this was just before the division on the previous

motion of censure or want of confidence when the Government had a majority of one. He said that Mr Lyne had sent for him then, and had said "I want you to do certain things for me, Hill" and after discussing that he said "I am going to settle that Woolloomooloo matter for you" Mr Hill said that after the division he called upon Mr Lyne xxxxx and that Mr Lyne then said " Do not come near me now I am too busy. Call again in 10 days" This is as far as I can remember, but I am glad Mr Hill is present, because he can correct me if I am wrong. He said he had had other interviews with Mr Lyne, and he complained that he had been cut down very much, if I remember rightly not only as regards the amount first promised, but also in the knocking off the 10 per cent addition for forced sale. He told me all this. I did not want to hear it, but he seemed to be a little bit excited - in fact he was excited. I think I told him that he ought not to come talking to me like that - that I did not want to hear these things. That is substantially what took place.

706 Mr O'Sullivan. What did you gather from that ? Well, I did not know what to think about it.

7 You say that Mr Hill told you that he complained of Mr Lyne for having cut him down ? He told me that there was a distinct agreement before the division.

8 Mr Lee. What was the certain thing he referred to ? He did not tell me, and I did not ask him to. The expression he used was " to do certain things for me".

709 Mr Lees. Did he leave you after the conversation you have narrated ? Yes.

10 Mr O'Sullivan. Can you tell us anything more as to what this previous understanding or agreement was ? He did not give me the figures, ~~but~~ he told me that the figures that he ~~could~~ should get had been arranged, and I think he told me that after his first interview, when he went again, he was told to call in 10 days. He told me that. I think he said that Mr Lyne went back on his agreement & that when he went the ~~se~~ second time he took with ~~him~~ him two of the others - Batty and Sheehy I think he said, but I remember his saying "two of the others," although I forget now who it was. He said that they all went and interviewd the Minister.

11 Did he give you to understand that there had been a private agreement or an agreement with Mr Lyne as zSecretary for Public Works with Mr Hill ? He did not tell me what it was at all. He told me substantially what I have told you.

12 Is that all the information you can give us on the point ? The whole.

13 Why should that leave on your mind the impression that there had been some corrupt ~~=~~ affair ? It left an uncomfortable impression on my mind at the time. I remember turning it over in my mind as to whether I ought not there and then to put the thing in writing and send it up to the Attorney General. I think now that I ought to have done so, but it was the last day before I gave up the office and I was considerably worried and ~~hussled~~ in getting things into order, besides I was

rather sick of this Woolloomooloo matter. I thought finally that it was not part of my duty and that I would let it go, although I thought afterwards, and think now, that I ought to have put it in writing.

14 Did it leave the impression on your mind that there had been a private understanding between Mr Lyne and Mr Hill or did you think that Mr Lyne as Secretary for Public Works had promised to give Mr Hill a high price for the land and that he subsequently saw fit to reduce it to a lower figure thereby causing Mr Hill to speak of the harsh treatment which he thought he had received. Which thought remained in your mind ? The impression left on my mind was that there had been a distinct agreement to give the larger sum, and that it had been departed from.

15 Is it not possible that there may have been a distinct agreement for it and yet for Mr Lyne in a purely public way as Secretary for Public Works to have gone into the matter and to have discovered that he had made a higher offer than developments justified ? It may have been so.

16 You talk of Mr Hill being excited ? Yes.

17 Is his normal condition not one of excitement ? He has been generally excited when I have seen him, and sometimes I do not ~~know~~ think he quite knows what he is

saying. I do not know him very well, but I have met him on a few occasions over this matter.

Did he give you to understand what the harsh treatment consisted of, besides the reduction of the figures ? The harsh treatment I took to be the going back on the agreement which had been made. I think that was the harsh treatment Mr Hill complained of.

I gather from your answers that you are not able to tell us anything about the agreement beyond what ou you surmise ? I do not surmise anything. I know that it left a very uncomfortable impression on my mind which I wanted to get rid of.

(5.)

GOVERNMENT PRINTING OFFICE 12 DEC. 94 SYDNEY.

Ernest Augustus Smith, Esq, called in, sworn and examined.

Chairman. During the time negotiations in connection with the Woolloomooloo Bay resumptions were taking place, you were Crown Solicitor - that is during a great part of the time? Yes. I was appointed in October 1891. The matter had been partially dealt with by Mr Robert Smith before I took the office.

You are acquainted with the various properties embraced inthe resumptions ? I did know them, but I do not know whether I can remember them now.

Were you generally opposed to the payment of the money which the Government decided to pay in the case of Hill and in other of these cases ? In Lahiff's case , if I remember rightly, I advised that the amount was excessive , but that it was too late to withdraw. I think that appears in my first report. In Brown's case I think there was a verdict of a jury. We went to trial in that case, it was one of the small cases. In Hill's case I was opposed to the payment of the amount which was actually paid.

You were opposed to it, I presume, because you thought that the sum offered was more than the value of the property ? That was the main ground. But I might, perhaps, point out the way in which the question presented itself to my mind. It did not seem to me to be a question so much as to one's opinion of the value of the land. I do not profess to be a land valuator in any sense. The question we had to address ourselves to was the effect of the evidence which we could obtain, and what sort of case could be made before a jury. It was

Malone Hunt

on that ground that we thought , taking all the evidence and weighing it, that the amount was ~~exc~~ excessive . I might mention that those were the lines upon which the subject was discussed at the consultation ~~between~~ with M between the Attorney General, Mr Pilcher and Mr C B Stephen which was ~~heard~~ held between the date of the granting of the rule nisi and the rule absolute. The whole thing was fully discussed then

4446 You based your opposition to the payment on the evidence of witnesses at the trial which took place in the case of Hill versus Lyne ? Yes.

7 I suppose your department would take into consideration also the payments ~~having been~~ made for other properties situated in the locality ? Yes.

8 Properties such as the Challis estate , Brown's property, Lahiff's property and other properties which were sold? Quite so.

9 In the case of the Challis estate I believe ~~the~~ the sum paid amounted to £172 per foot ? Yes.

10 That was exclusive of 10 per cent for forced sale ? I do not know whether the 10 per cent was allowed in that case or not - it was settled before my time.

11 You would consider that amount in estimating the Hill

property ? Quite so.

4 You are aware of certain prices having been paid for the properties I have mentioned ? Yes.

3 I believe Lahiff's case was settled during your tenure of the office of Crown Solicitor ? Yes. If I remember rightly an offer had been made and accepted, and we could not withdraw from it.

4 The price paid for that property was what ? I forget. I know it was mentioned in my first report , when I first dealt with the matter, and after going into all the evidence we could collect.

5 In Brown's case what happened ? We reduced the offer which had been made - I think under my advice. We then went to a jury and got a verdict for a certain amount.

6 An amount beyond that offered by the department ? Yes, beyond the amount offered.

7 Do you remember now exactly what the department offered? I am afraid I can not.

8 Was it £100 a foot ? I think what I advised was that a uniform rate of £75 per foot should be offered, that was in my first report. The offer of the Government was £100.

9 A letter has been put before the committee showing that you advised that an offer of £175 made by the Government should not be withdrawn ? Yes..

6 In this same case the Government determined to offer £100 a

foot ? The difference between £100 and £125 is inconsiderable, because there were impro vements on the land. The £100 was for the bare land.

I presume that a previous valuation had been submitted to Brown, At any rate you advised that the offer of £125 per foot should not be withdrawn ? Yes, because that sum included the forced sale and the value of the improvements, & it appeared to me that the difference was inconsiderable. That is to say if we gave him £100 a foot, and also the value of the improvements, it would come to nearly £125 a foot .

He refused to take the offer made by the Government and went to court ? Yes.

And got a xxxxxx verdict ? Yes, for an amt which I now forget

In your letter referring to the matter, you say "I have the honor to report that the trial of the above case was concluded this morning when the jury re turned a verdict assessing the compensation at £2200, which amount would seem to be £100 per foot for the land , £1500, with £700 added for the va ue of the buildings" On what groun d did you base your statement that the verdict allowed £100 per foot for the land ? I based it on the evidence given by the plaintiff's witnesses as to the value of the improvements. The officer in charge of the matter in my department was Mr Curtis, and in going into figures with him that was the way we brought it out. I was not in court when the figures were given, but I heard what had been the

evidence of the witnesses as to the value of the improvements.

465 The Challis estate was dealt with before you occupied the position of Crown Solicitor ? Yes.

6 In that case a valuation of £175 per foot was made ; are you aware of that ? Yes, I think that was so.

7 It was valued by Mr Thompson, Messrs Richardson & Wrench, and Messrs Mills Dille and Wilson ? I think that is so.

8 The claim was paid at that rate ? I think it was at the rate of £172 per foot, but I am not sure.

9 At the same time these valuators valued the ~~property owned by Hill & others at £175 and also the~~ adjoining property of 303 ft at £175 per foot ? Yes , that was the subject of the action, I think.

70 Was 10 % allowed for forced sale ? I think it was.

1 Are you aware that Mr Millan had agreed that that was a fair and reasonable valuation ? I never heard of it.

472 A paper has been put in tending to prove that Mr Mc Millan thought it a fair and reasonable valuation ? I do not think ~~then~~ it was brought before me. If it had been I think I should have seen Mr Mc Millan about it.

(4)

GOVERNMENT PRINTING OFFICE
12 DEC. 94
SYDNEY.

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

ON ~~THE~~

WOOLLOOMOOLOO BAY ~~LAND RESUMPTIONS~~

Tuesday, December 11, 1894

P r e s e n t : -

Mr Bavister,
Mr Francis Clarke,
Mr Lee,
Mr Lees,
Mr Molesworth,
Mr Morgan,
Mr O'Sullivan,
Mr Piddington,
Mr Wall,
Mr Cann.

James Morgan, Esq in the Chair.

William John Lyne, Esq, M.P., re-called and further examind

315 Chairman. At the conclusion of your examination by the committee last week you were speaking of the depth of the ~~per~~ various properties at Woolloomooloo Bay ; do you wish to say anything further upon that point ? Not as to the depths, but I wish to refer again to the summing up of the Chief Justice

If the Crown refer to page 24 they will find that he says:-

"the Crown, I say, have argued that you must value the land as having no practicable water frontage, because there is only 2 or 3 feet at low water. That point was properly taken, but, at the same time, I do not hold with it. I think it is not sustainable, and I ruled against the Crown, and therefore you will be good enough, when you come to consider the value of the whole land, not to value it as the Crown say you are to value it, merely as having only 2 or 3 feet at low water. Although that might be so, still it remained a wharf, and therefore you ought not, in determining the value of this land, to value it as if this difficulty could not be removed. You should value it as if you know it could be removed, for we know it can be removed, and deepened to the same depth as Cowper Wharf, namely, some 20 feet; and in dealing with the matter you must take into consideration that it can be made into a good wharf property by the expenditure of a certain sum of money."

P 16
P 14

Referring to the Witnesses he ~~gave~~ said

Now, taking the defendants' witnesses first, the auctioneers and valuers for the defendants were Messrs. Pile, Sievers, and Gorman, and Messrs. Gregg and Mills were the auctioneers and land valuers called on behalf of the plaintiffs. Now, Mr. Gregg and Mr. Mills were very much influenced by the results of sales in the vicinity, and more particularly the value which was placed on Mr. Morris' land. I think Mr. Gregg was the auctioneer in that instance, and no doubt he was very much influenced by the value placed upon that land which is not a waterside property, but had a frontage to Cowper's Wharf and a large frontage to Dowling-street. Evidence was given that at one period the value was £3,000, and shortly afterwards it jumped up to £20,900. That was an enormous rise.

I wish now to direct the attention of the committee to a letter from the Crown Solicitor to the Under Secretary for Public Works upon page 29 of the parliamentary papers under date 4th August 1393. The committee will see that he says

As already pointed out, the evidence placed before the Court, and the summing up of His Honor the Chief Justice, confirms the view expressed in that report. The evidence and valuations already obtained are ample, and I do not recommend any further valuations to be made.

This applies more particularly to the case of George Hill (alone), as that case is on all-fours with that of Hill and others.

The committee will see that in his letter to the Secretary for the Attorney General, dated under date the 30th April 1894, he makes a statement which bears upon the paragraph which I have just quoted from the letter on page 29 with regard to the value of Hills second property - not the one concerning which the adtion took place. In the quotation I have just read he says that no further valuation was necessary, as the properties were on all fours, that is the property concerning which the action took place and the other property and especially that of George Hill alone. On the 30th April 1894 he says

But I should, perhaps, draw attention to this, namely, that at first sight it would appear that by the settlement arrived at a substantial reduction has been made in the amount of the verdict obtained in the action. In reality this is not so. The settlement comprises not only the 300 feet, the subject of the action, but also two other portions, making up a block having a frontage of 225 feet. This latter block is evidently of less value than the 300 feet, by reason of its small depth, and for the same reason it is not so valuable as McQuade's.

9

I draw attention to these two paragraphs to show that in one case the Crown Solicitor says the properties are upon all fours, and that afterwards, when it suited his purpose, he said that one was of much ~~much~~ less value than the other. I put in a letter from the banks solicitors to the Secretary ~~of~~ for Public Works which appears upon page 30 of the papers, and which I should like to see printed in an appendix to my evidence (Vide Appendix) I invite the attention of the committee to the following Minute by the Under Secretary Public Works to the Crown Solicitor under date the 15th March 1894

I AM directed by Mr. Secretary Lyne to forward herewith the Cabinet minute, approving of the settlement in the case of Hill and Others *v.* Lyne. The other papers will be sent as soon as they can be collected. It will be seen that the letter of Stephen, Jaques, and Stephen, of the 5th instant, did not disclose the terms agreed upon, and before sending a letter to Mr. Hill, which he had specially asked for with the view of satisfying his bankers, Mr. Lyne instructed that the terms must be accepted, and this was done in my office, the parties to the matter having been sent for. A copy of the letter sent to Mr. George Hill is enclosed.

I ~~wwdsss~~ mention that in order to show the caution which was exercised in the final settlement, and to emphasise the circumstance that no one was allowed to know what we would give. Even Messrs Stephen Jaques and Stephen when they wrote did not disclose the terms, because I presume they did not know them. On page 33 ~~xxx xxxxxxx~~ the ~~et~~ committee will find a paper relating to a consultation between the Attorney General, Mr Pilcher, and Mr C.B. Stephen which was held on 27th

4

October by direction of the Attorney General. ~~One of the ques-~~

~~tions for consideration was~~

[On the main point as to the verdict being against evidence and the damages excessive, Mr. C. B. Stephen was inclined to the opinion that a question of value being one entirely for the jury, and there being some evidence to support the figures on which the verdict is based, there would be some difficulty in disturbing the verdict, however absurd.

Mr. Pilcher, on the other hand, was of opinion that the verdict could not stand, because—

(*a*) On the evidence the amount was grossly excessive, and rightly characterised by the Chief Justice as "outrageous."

(*b*) That although two or three of plaintiff's witnesses swore that, in their opinion, £200 per foot was the value, this opinion was mere matter of surmise as to what the property would be worth as a wharf property, it was not founded on facts such as sales of similar properties in the same neighbourhood, and the evidence of the defendant was overwhelming to show that this surmise had no foundation at all.]

I mention that to show that Mr Pilcher was absolutely wrong and on page 26 the committee will see that in the course of his summing up the Chief Justice points out that Mr Gregg & Mr Mills were influenced by sales in the vicinity, and more particularly the value which was placed on Morris's land. I will later on produce a letter from Mr Gregg in which he gives his reasons, which it will be found are based on absolute sales.

316 Mr Wall. Why is that letter not with the papers ? That I cannot say - it should be with them. I have had to get a copy of the letter from Mr Gregg this morning. It is a certified copy of a letter addressed by him to the Crown Solicitor on the 13th October 1892, and I will read it for the information of the committee "Sir, Referring to the personal interview with you this morning re Woolloomooloo Bay Resumptions I beg to state that until a few years ago that portion of the city was almost neglected by capitalists - ~~practical~~ practically the ~~the~~ whole place was dormant. An activity arose in the way of demand for lands there under the belief that the early future would discover ~~a~~ for it an important and valuable use; the comparative smallness of the available area, its proximity to the city and the suggested railway ~~connects~~ connection

together with a measure of patronage of large ocean going vessels and others of smaller style, all tended to awaken an interest and enhance value. As showing the developments of prices for lands immediately hereabouts I have knowledge of these sales - 127½ ft Cowper Wharf, 299feet depth along Duke St, 215 ft depth along Dowling St, ~~96~~ 97 ft depth to Harnett Lane for £3500 to Dr Morris. He sold it in 1888, I think for £21,000, and I know vendor in 1890 asked £27,000" He told me that if necessary he could produce the offer and his plans from his safe, and I may ~~want~~ mention that although the property is called Cowpers Wharf, it had no water frontage at all "87½ ft to Cowper wharf, 120½ft depth to Dowling St, 81 ft to Bland St, other depth line less - for £ 2,000 . The buyer died only a few years ago and I understand his widow to say his value was £200 per foot frontage. My clear impression is that she was offered £160 per foot frontage"

That property also had no water frontage.

"58 ft to Cowper Wharf part of it having a width of 54 feet to 39 feet, other side line 112 feet, width at rear only 25 ft for £7000 in 1888. ~~27~~ 27½ feet Cowper Wharf, depth 86 feet to 92 feet - 27 feet to rear Street for £30 per foot adjoining I think the piece previously quoted for £2000 and which 27½ feet frontage was sought for in 1888. In September 1888 we offered Moore's Wharf , Millers Point with a reserve ~~for~~ of £96,000, and had offers at auction of £85,000 or £86,000 when it was not sold. Enquiries then set in for Cowper's Wharf frontages as the idea was that quarter would come into active employment for wharves and storage warehouses, the rate being less than the prices required for frontages on Darling Harbour"

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The following postscript was in answer to a question by the Crown Solicitor as to why he valued 115 feet of Brown's property at £125 per foot and 30 feet of Lahiff's property at £150 per foot. He says "As explaind to you the difference in the assessed prices per foot arose from the fact of the varied breadth of frontages; the a narrower not having been deemed as valuable as the larger block which latter allowed of better scope for use. May I menton that after the Crown resumed Challis't Estate block it was remarked t it was a cheap purchase and I heard had it gone to auction some would have competed for it and bought it at more money"

I have had a statement compiled with the object of showing as far as possible up the present time some of the larger claims which have been settled by myself and other Ministers in connection principally with railway contracts. I quote the amounts to show that in the works department claims of great magnitude come before the Minister constantly. As far as I was concerned I always settled these claims if I could do so without letting them go to the Crown solicitors department, for the moment they get there, great expense ensues and in my experience very little good results. In connection with the Culcairn-Corowa line for which Horne and Shand were the contractors they claimed £146,000. The claim was settled for £113,794 without going to the Crown solicitor . In the case of the Nyngan and Cobar line for which Messrs Smith and Finlayson were the contractors, the claim was £221,331, and it was settled for £201,655 without going to the crown Soc Solicitor. In the case of the Cootamundra to Temora line for which Messrs Baxter and Sadler were the contractors, the claim was £116,377 , and it was settled for £109,951

In the case of the Sydney & Waterfall line for which Messrs C and E Miller were the contractors the claim was £239,712 and it was settled for £233, 682. I have not the exact figures with regard to large claims which have been settled in connection with other contracts, but I have no doubt I could furnish them if necessary before the inquiry closes For instance large claims were settled by the Minister in connection with the Kiama and Nowra line, the Michelago and Cooma line, the Hawkesbury bridge, the Tamworth to Uralla line, Uralla to Glen Innes line, the Sydney to Wollongong and Kiama line, No 3 ~~contract~~, the Homebush and Hawkesbury line and the Gsford and Waratah line. These were all large claims made upon the department and settled without going to the Crown Solicitor's office. In connection with Mc Sharry's claim I may mentionthat I placed it in the Crown Solicitors department under an arbitration, and the result of it was that the Government had to pay an immense sum of money - I think a great deal more than I could have settled the case for without letting it go there at all.

17 Mr Lee. Some of the cases to which you have referredwere settled by Ministers who preceded you ? Yes.

18 Showingthat it had been the practice of thedepartment ? Yes. An officer of the works department has sent me a message to say that he could only get the figures I have quoted up to the present time, but that later on he will be able to furnish me with the other figures.

19 Mr Bavister. In any of the cases to which you have just referred have proceedings been taken in the law courts ? No, they were settled without going to the courts.

20 In this case is not the contention that the case was settled

by the Minister after having been taken into court ? Yes.

In connection with Mc Sharry's case which I mentioned just now, and which was sent to the Crown Solicitor's department in connection with arbitration, I believe it was settled finally in the law courts when MrSutherland was Minister, but the Government had to pay an immense sum for costs - I think the costs alone came to £20,000.

Mr Wall. In Hill's case a verdict had been obtained & new proceedings had been initiated in connection with a new trial ? Yes. not by the owners of the land, but by the Government.

The case was set down for hearing, but proceedings had not been further initiated ? No, I think the case was set down for hearing onthe 12th of the same month in which a settlement took place. A settlement took place at the beginning of the month. As I explained in a previous part of my evidence I saw Sir George Dibbs about the matter between the time at which the verdict was given and the time at which the new trial was obtained. When I spoke to him about the matter he said that we had better let it stand until a new trial was obtained, as we should then be in a stronger position, and would be able to make better terms. That is why the matter stood over till afterwards.

Was the verdict given for a larger amount you think than thecase could have been settled for before going into court ? I cannot say that, but I should think it was .

324 The verdict was for a larger amount than the case was settled for afterwards ? Yes , the verdict was about a quarter larger. As far as I can judge the chief trouble between the Crown Solicitor and myself is contained in the last paragraph of his letter which appears on page 33 of the papers . He says

(In conclusion, I may be, perhaps, allowed to make a suggestion which I should have made had the minute referred to been received in time to be dealt with before I retired from office. The suggestion is this:—That "The Claims against the Colonial Government Act," 39 Vic. No. 38, and certain Special Acts like our Resumption Acts should be amended by an enactment to the effect that in all actions or suits against the Crown the nominal defendant shall be Her Majesty's Attorney-General. If such an enactment was passed Her Majesty's Attorney-General would be in any such action or suit the *Dominus lit is*, and the action or suit could not be settled, or the proceedings therein in any way interfered with except under the express direction of Her Majesty's Attorney-General.)

That to my mind is pretty well the whole trouble with the Crown Solicitor. He took it upon himself, not only in this but in other cases, to direct me (a & b) what I should offer. I resented it, because the Minister of any department in connection with which a case goes into court is the nominal defendant, I held, ~~and~~ has I hold now that the Minister who has had the history of the case before him from the beginning is a better judge of matters of fact than the crown law officers could possibly be. All questions of law I have always referred to the Crown law officers, but in all questions of fact , especially in connection with land valuation, bridge contracts, or sway contracts, where the whole case is filtered through the officers of the department to the Minister, I maintain that the Minister is in a better position to

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Leake Hall

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judge of matters of fact than the Crown Solicitor can possibly be. Now I desire to say with reference to any insinuations which may have been made, and which I take to reflect upon my probity in the administration of the department, ~~I desire to say~~ that in no case, at any time did any of the persons interested in this matter approach me in the slightest degree in a way in which they should not have done. When reflections, therefore, were made upon me, I felt that they were most unjust. I could not take the statements made in any other way than as reflecting upon myself. I have given a general denial of them, and I shall be quite prepared to answer any questions the committee may think fit to ask me with reference to them. But nothing of any kind ever happened between Mr Hill and myself or any of the other persons connected with the matter - I do not know that I ever saw any of the others by themselves which could be construed into an offer of or an attempt at bribery of any kind as far as I am concerned.

325 Chairman. When any of the parties saw you, what was it for generally ? To urge settlement. The complaint Mr Hill made, and he appeared to me to get almost beside himself just before the termination of the case was that 4 years had elapsed since the land was taken, & that he had to threaten Supreme Court proceedings before he could get an offer from the department. He complained that the matter had been allowed to drag along through this length of time with the bank pressing him, & that during nearly the whole of the time the Government would do nothing, but practically hang the matter up.

6 You mean to say that notwithstanding that the Government had had this land valued by their valuators they refused to give a valuation to the parties interested ?

Harvard 16
Sanders

Yes, until I offered £100. The papers will show that the owners of the land threatened to go into court to compel us - as they could compel us - to make a valuation of some sort, because they could not take proceedings against us until they obtained that valuation. I then offered, at the instance of the cabinet, £100 a foot. That was between 2 and 3 years ago after the land had been first taken.

327 That offer was made, notwithstanding that the Government Valuator had valued the land at £175 per foot without 10 per cent for forced sale ? The £100 was offered only for the two first blocks which afterwards became the subject of the action, and ~~that~~ they had been valued by the Government valuator Messrs Mills and Pile and Messrs Richardson and Wrench at £175 per foot, which carried with it 10 per cent for forced sale, according to the law. I should like to direct the attention of the committee to the fact that a valuation was put in the other day endorsed by Mr Mc Millan . The document was dated in January or Per February 1891, and what I desire to impress upon the committee is that when Mr Mc Millan made the minuts to which I refer he was in a much better position than I or any one coming after him at this late stage could be to recognise what the values were at the particular date of resumption. In addition to that I have made inquiries and I find that the action only of the boom in these properties ended about the close of 1889. The actual values however did not recede very much until nearly the end of 1890. Though the activity to a large extent, had ceased, still the properties were not sold below boom values for nearly 12

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Lander
Nolan

months afterwards, that is at the end of 1890..

328 Mr Lee. Was there any friction between ~~myself~~ and the Crown solicitor ~~and the under~~ myself as secretary for public works at this time ? No friction at all.

9 Had the Crown Solicitor any object of a personal character in prolonging litigation in this case ? I should not like to swear that - I could not say .

30 He was in receipt of a salary from the Government at the time was he not ? He was.

/ Would he be entitled to any fees ? I do not know, I should not think so.

2 You do not know of any reason why the Crown Solicitor should have taken up the attitude he did ? No reason at all. I was as friendly with the Crown Solicitor as I am with any member now sitting in this room. We lived close to gether. and the first intimation I had of any attack upon me was when I received the minute of the Attorney General.

3 Had there been any previous correspondence between the Crown Solicitor's department and your department ~~with~~ with reference to the settlement of previous cases on this basis ? Not exactly on that basis. There has been no corresponding case to this , but there have been communications from the Crown Solicitors department in which he, to my mind, has taken up a position which practically took the administration of my department out of my hands.

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Sanders Tralee

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/3

334 I want to know in the first place whether it was owing to any previous settlement that the Crown Solicitor was so emphatic in his remonstrance with you ? Not that I knew of at the time , but in one of his minutes he referred to Rochester's case.

5 Did that occur during your administration ? Yes.

6 What are the particulars of that case ? It is not at all on all-fours with this case.

7 What particular opportnity had the late Crown Solicitor for valuing property ? I do not think he had any opportunity

8 Do you know of any reason why he should set himself up as an expert in the valuation of properties ? I know of none. That is what astonished me so much. [In his letter under

dates of 12th March 1894 the Crown Solicitor says

9 Q.

[It will be remembered that this question of settlement of this and the other claims of George Hill and other matters was referred to the late Attorney-General, Mr. Barton. A consultation was held at which both the counsel for the Crown and myself were present. The matter was very fully and exhaustively discussed, and the conclusion arrived at then was that £100 per foot for the land in dispute in the action was the outside limit that should be offered, and £85 for the other land in respect of which no offer has yet been made.]

Burke Fiedler

It was that paragraph of the letter which ~~he~~ Jun took exception to ? No it was the whole letter. I did not think he was a competent (counsel) I do not know any reason why he should be competent in the matter of land valuation. He is a competent lawyer, I have no doubt.

340 The other portion of his letter refers to the settlement of claims by the Works department beind the back of the Crown solicitor ? Yes.

/ I wish to refer you to the following minute by the Attorney General :

LET this letter be forwarded to the Works Department. As to the value of the land I can say nothing, as I have little personal knowledge of land values, and have not followed the evidence in this case (which was tried before I became Attorney-General), and have read nothing about it, except the judgment of the Full Court on the appeal. At the same time, it is evident that whatever fault may be found with the jury's verdict of £200 per foot, £55 per foot is a very substantial reduction, and the difficulties in the Crown's way, referred to in the Crown Solicitor's memo. are serious.

As to the second point, viz., the manner of carrying out this settlement, I entirely concur with the Crown Solicitor. In matters of this sort, where large sums of public money are concerned, I think that every step should be taken in the most careful and regular way. I fail to see the advantage of having highly skilled experts like the Crown Solicitor in the public service if an opportunity is not afforded to them to make such representations as they may think advisable in the public interest. I regret very much that my minute on the Crown Solicitor's letter of the 19th February was not attended to. My own view, upon which I shall continue to act, is that this Department should refuse to recognise any settlements until they are brought before it in strictly regular form; but this will be of little use if the settlements are made binding and complete without consulting this Department, or making any reference to the special knowledge which it necessarily requires in cases such as this.

C.G.H.

Was not this case settled by the Cabinet ? Yes.

2 At which the Attorney General could have been present ? He was present.

3 For what reason then does he take exception to a matter which has been considered and decided by the cabinet ? That I never could understand.

15

34 4 Your opinion is ~~that~~ the Crown Solicitor free to canvas the action of the cabinet ? Certainly not , unless he knows of some specific improper conduct.

5 When the matter has been determined by the cabinet would it not be the province of the Crown Solicitor to see that it was carried out if so ordered ? If so ordered , his portion of carrying out the decisionwould be to see that all the documents were regular, and that the matter was carried out in legal form. we did see to that afterwards.

6 The Attorney General also would be bound by the decision of the Cabinet ? Of course he would.

7 Can you offer any reason as to why the Attorney General should reflect upon the action of the Cabinet in deciding this matter ? I cannot.

8 The Crown Solicitor refers in this letter ~~as~~ to his not having had an opportunity to deal with it. Now the Attorney General was present at the cabinet meeting of the 15th February and he knew all that took place. The matter was not settled finally until the 4th March or thereabouts, so that there was a fortnight or three weeks during which the Attorney General knew perfectly well what was ~~to be~~ done. In addition to that this was a very special case, because as I explained in my previous evidence , Sir George Dibbs speaking for the cabinet would not agree to my making an offer at all. It was only when the other side were prepared to make an offer of £145 per foot to clear everything that I was to accept it. Now would Sir George Dibbs write anything ~~re~~ the Cabinet until it was absolutely concluded.. I was instructed not to allow

anything done until the matter was so clinched that there could be no withdrawing upon from it.

348 You tell the committee then that the Attorney General was present at the Cabinet meeting at which the it was decided to give £145 per foot for this land ? Yes, but he was not present at the cabinet meeting held a few days before the final settlement, at which it was decided not to pay the 10 per cent for forced sale

9 Therefore the Attorney general's minute is not upheld by the facts of the case ? No.

50 Do you think his minute is intended to be a covert attack upon any practice he might not have approved of ? The Attorney General has told me that it was not intended to be an attack at all. I spoke to him about it the other day.

/ Mr Molesworth . Can you now give us the explanation which has been promised in regard to the letter from the Crown Solicitor under date 6th March 1894 . How is it that he received a letter from the Under Secretary for Public Works in reference to the settlement when the settlement itself bore date of March 6th. There does not appear to be any document relating to the settlement under an earlier date than march 6 ? I think I have already explained that. The explanation is this I was prevented from making an offer to the parties. The offer was to come from them. They had intimated to me that they were open to take £145 clear of everything. But nothing had been written on the cabinet papers as Sir GeorgeDibbs had refused to write anything which might be used against us if we had to go on further with the case, until I was absolutely certain the offer would be made. The Telephone message to thecrown

Privt Papers

Solicitor was to prevent further expense in the delivery of briefs . As soon as I was sure the offer would be made I took theppaper to Sir George Dibbs for my own security, not at a cabinet meeting, but after a cabinet meeting in order that he might write a minute as to what the cabinet had decided. That is how it is that the minute was dated the 6th. The minute was the result of a cabinet meeting, but that meeting was held several days before.

352 Are you aware that the offer from the solicitors of the claimants is dated 6th March ? That would be the written offer.

353 Then how did you know on the 5th March that a written offer was coming to you dated 6th March ? I cannot tell you from whom I heard, but I think it was through Mr Barling that I had the information absolutely that the parties had agreed to the terms .

4 Who was the individual who, on behalf of the parties had agreed to them ? That I cannot tell you. I am under the impression that MrBarling saw some one, and I think it was the manager of the bank and Mr Belisario.

5 Notwithstanding that you did not get this absolute offer of settlement from the parties until the 6th you treated the matter as having been settled on the5th ? Yes, I was told that they had agreed to the terms.

6 This seems to me to be a very imprtant matter. Can you not remember who told you about it ? I think it came from Mr Barling, and I believe that the settlement was made with Mr ~~Belasi~~ Belisario and the manager of the Bank

18

Watt
Mr Tel

357 But had not the previous interviews with regard to this settlement taken place between yourself and Mr Hill?

Yes. I remember now that Mr Barling wanted to find Mr Hill, that he wanted to see him in regard to the matter. That is how he came to see Mr ~~Bales~~ Belisario and the manager of the Bank. Mr Hill could not be found.

8 They had full authority to make a settlement without Mr Hill ? It was concluded that the solicitor for Messrs Hill & Belisario had authority.

9 With reference to the communication of the crown solicitor of the day to yourself, and the Minute of the Attorney General upon it, was not that communication directed more against the operations of the works department than against the cabinet?

"The whole communication speaks for itself.

10 Let me refer you to the last paragraph of the Crown Solicitor's letter of date of 12 March 1894:-

"I enclose the previous papers, from which it will be seen that the Under Secretary for Works was advised by you, under instructions from the Attorney-General, that if any settlement in this case of Hill's should be proposed I should be communicated with. It would seem that the action of the Works Department has been in utter disregard of this advising."

49

Mitchell's Martin

Would it not appear from that that he made a complaint against the works department rather than against yourself ? That had reference to a letter dated 19th February which letter did not reach me until the matter was absolutely decided by the cabinet, & I had negotiated as to whether the parties would take £145. The letter appearsupon page 31 of the papers . It was sent on by the Under Secretary to the ~~Attorney general~~ Crown Solicitor's department on the 26th February 1894. I took particular notice of that letter . It wentalong rather slowly. It was a memorandum from the Crown Solicitor desiring to be consulted before the settlement. It was submitted to the Attorney general on the 21st February, it remained with him until the 23rd February, it was ordered to be sent to the works department on the 26 February, but it was never shown to me until the matter was settled, and itwas settled a few days before the 26th.

361 What I want to know is this - do you not conclude from the paragrph of the Crown Solicitor s letter to which I referred tht his objection is not so much to the decision of the cabinet , ~~[illegible]~~ to the subsequent action of the works department ? I think to both.

Is it not a fact that the final settlement took place without reference to the Crown Solicitor ? Certainly, on the decision of the cabinet.

Has it not been the custom in all matters of this kind to refer them to the Crown Solicitor for final settlement ? Not unless questions of law have to be decided.

Martin Butler

364 But in all resumption matters immediately they are determined by the cabinet, are the papers not sent to the Crown Solicitor in order that he may carry out the necessary steps ? In order that he may carry out the instructions given. - that he may do what is necessary to give effect to the~~se~~ instructions.

5 But in this case that course was not adopted ? It was, except as to the sg ning of the document in MrBarling's office. The document was sent to thecrown ~~so~~ solicitor to complete. The signing of thedocument in Mr Barlings office was only the commencement of the completion. I do not know how long it would take to settle such a case, but I dare-say the examination of the document, and the making out of vouchers would occupy some time.

6 Was it not rather an exceptional course, the signing ~~of the~~ in Mr Barlings office of the agreement of the cabinet ? No I do not think, I should do the same thing if ~~the~~ ~~case~~ a similar ~~thing~~ case occurred to morrow. I am satisfied that so complete a settlement could not have been made if the matter had gone to the crown Solicitor's office. That is proved by the fact that many months afterwards a letter was sent on - you will find it on the last page of the papers from the crown Solicitor to the Under Secretary for Public Works, in which he says that the question of costs had arisen. The settlement in the way I made it prevented the possibility of anything of that kind cropping up.

7 What I want is a direct answer to my question, whether it is not the fact that in all ordinary cases the moment the cabinet

comes to a decision, to place the whole matter of settlement in the hands of the Crown Solicitor ? Certainly not, excepting cases which are absolutely inthe hands of the Crown Solicitor at the time.

36 Was not this arrangement of the Under Secretary for of PublicWorks rather an unusual course ? I do not think it was an unusual course. I think it was a course which showed a great deal of prudence.

9 Is it not a course to which the Crown Solicitor himself took exception ? Yes.

70 And is it not a case in which the Attorney general himself endorsed theopinion of the crown Solicitor upon that point ? Yes.

/ The Attorney General was a member of the cabinet which determined the matter ? Yes, he knew all about it from the 15 th February until the date at which the settlement was arrived at. let me refer the committee to the consultation between Mr Pilcher, Mr C.B. Stephen and the Attorney General with reference to going on with the case. In no large case has Mr Pilcher ever been known to recommend the settlemet until after the briefs have been issued. Mr Stephen did not recommend the case being proceeded with at all.

2 MrCann. What is the effect of that - is it to secure fees ?

Yes. The bar does not get any fees unless a new brief is marked.

373 If no recommendation for settlement is made that ensures that the briefs would be marked before it is arrived at ? Of course if there is a recommendation for settlement no briefs are issued .

4 If no recommendation for settlement is made the briefs are completed ? Yes.

5 And that ensures the fees ? Yes.

6 Mr O'Sullivan. Fees to whom ? To the consulting barrister advising in the case.

7 Mr Cann. Is it usual to refer questions of value to the law officers of the Crown ? Not so faras I know - I never did.

8 MrWall. You say you know of no large case in which Mr Pilcher recommended a settlement ? I am not aware of any large case in which he recommendeda settlement before the briefs were issued. If hon members refer to page 13 they will find that Mr Stephen did not want to go on with the case . It was proceeded with on the strong statement of Mr Pilcher which is not borne out by the facts.

9 Can you offer any explanationas to why Mr Gregg's letter and Mr Mc Millan's minute upon the valuation have not been published among the papers ? I cannot. I do not think the Works department purposely omitted them. I wish it to be clearly understood that these papers get mixed up between the crown Solicitors department and the works department, and that letter of Mr Greggs is I think somewhere in the Crown Solicitors office now if it could be found.

38 Mr Lees. How do you account for your not seeing this important letter of Mr Thompsons's-the confidential document - until it appeared in the parliamentary papers ? I have no knowledge of it for some time; it was not in the papers, but I heard from another source that there was some such document in existence. I made inquiry & that is how I came to see it. It is a most confidential document, and I am surprised to see it in the parliamentary papers.

/ You said just now in answer to Mr Molesworth that you do not send cases to the Crown Solicitor for the mere purpose of getting values? No.

2 In this particular case have not the whole matter of values been gone into in the course of the trial in the Supreme Court? Yes.

3 Would not the Crown Solicitor by means of that trial therefore be as well posted in these values as a man could be expected to be ~~posted in them~~ ? As far as the evidence went..

4 Do you not think , seeing that a new trial was granted on the ground that the verdict was against evidence that the Crown Solicitor had a good case to go to a jury ? I do not think he had a case at all.

5 Not in the face of the evidence ? No a new trial was obtained against the Chief Justice's summing up. The Chief Justice said the right to deepen the water frontage had never been refused. I do not think a single case can be produced in which

the right has been refused. The point was a technical one in law, but no jury could possibly have been influenced by it.

386 If a prv ate individual put acase into the hands of a lawyer and that lawyer had gone through the pros and cons of it by means of a civil action, ~~feeling~~ felt afterwards that in the interests of his client another step should be taken do you not think that the client would trust him to the end ? He would not do anything without consulting his client. If I were the principal and I thought I was going to lose money by going on, I should stop the case and settle it myself.

387 Against the advice of your solicitor ? I have done it many times.

388 Even if the solicitor were a highly paid Crown servant? Certainly.

389 You said the other day that in your opinion a telegram of the crown Solicitor from Wentworth Falls was insulting? Well it cast a reflection upon the settlement. The words used were "Impossible for me to say whether alleged settlement final and binding." You see he says "alleged settlement".

390 You do not think that is a reasonable comment on the part of the Crown Solicitor seeing that the whole of the legal business in the case had been in his hands, and that a second trial had been asked for ? I do not think so. taking

the surrounding circumstances into consideration.

3/ You also said that you were pressed to make an offer with the view if it were not accepted of the case going to the court. Who exerted that pressure upon you ? The parties concerned..

2 Who are they ? Messers Hill and Belisario. They are the only two I know of.

3 No one else ? No. I have already explained that no action can be taken in the court by the parties concerned until an offer is made . The holding back of an offer may prevent persons from obtining their just rights. The offer in this particular case should have been made months, and indeed years before . It was under the threat of our being compelled by the courts to make an offer that I made one .

4 The only ~~party~~ parties who pressed you to make it were the claimants they are ? They are the only parties I know of who were interested in pressing me to make it.

5 Mr O'Sullivan. Had the crown solicitor any other point than that about deepening the water frontage ? None that I heard of.

6 Judging from what you read of the summing up of the Chief Justice that objection could not in his mind be sustained ? He directed the jury not to consider it. He said the Crown had taken a point which he did not think was tenable.

7 Mr Wall. In the concluding paragraph of his letter to the Secretary to the Attorney General under date of 30th April 1894 the Crown Solicitor makes a suggestion in these terms :-

26

> In conclusion, I may be, perhaps, allowed to make a suggestion which I should have made had the minute referred to been received in time to be dealt with before I retired from office. The suggestion is this:—That "The Claims against the Colonial Government Act," 39 Vic. No. 33, and certain Special Acts like our Resumption Acts should be amended by an enactment to the effect that in all actions or suits against the Crown the nominal defendant shall be Her Majesty's Attorney-General. If such an enactment was passed Her Majesty's Attorney-General would be in any such action or suit the *Dominus litis*, and the action or suit could not be settled, or the proceedings therein in any way interfered with except under the express direction of Her Majesty's Attorney-General.

Plaintiff's Evidence

398 Is it within your knowledge that the Attorney General has ever applied for the names of the nominal defendants to be named in any claim of this kind ? No I am not aware that it has been done.

9 This contention was only set up after this case had been decided ? Yes.

400 Did the Crown Solicitor ever make the suggestion that the acts to which he refers should be amended prior to the settlement of this case ? Not that I am aware of.

/ That is amended in this direction - that the Attorney General should be the nominal defendant ? Not that I am aware of.

In addition

4 Did you know from a persual of the papers when they first came before you how much money Hill & Co gave for the land for which they claimed £90,000 ? No.

3 I suppose you are aware that at the time of settling

this case Sir Julian Salomons and Mr Pilcher thought that the appeal ~~was bound~~ ought to be successful ? I paid more attentn to the enclosure which appears on pages 32 and 33 of the papers. You will see tt a consultation took place between the Attorney General, Mr Pilcher, and Mr C.B. Stephen.

4 & 4 I was referring to the letter under date of the 30th June 1893 from the Crown Solicitor to the Under Secretary for Public Works ? I cannot say that I am aware of that. I have not read the whole of the letters very carefully.

5 Mr Bavister. In your evidence last week in referring to Mr Hill having pressed for a settlement of the case you said that some one came to see you every day to get the case settled? I cannot say every day. Sometimesthere might be an interval of a month or 6 weeks, and then there would be 2 or 3 days when some one would see me every day.

6 The impression I gathered from your evidence was that a considerable number of persons had at different times pressed for a settlement of the case ? I do not think I saw any one except Mr Hill & Mr Belisario. Mr Hill was like a shadow at my door.

7 In giving your evidence you referred specially to Mr Hill. You say that he was always worrying you and then you went on to state that every day some one would come to try to get the case settled ? I do not think any one beside MrHill and Mr Belisario saw me positively about the case. Of course I heard it mentioned by several other persons.

408 If these persons came to interview you at your office pressing for a settlement of the claim cannot you remember who they were ? No. I remember hearing the case talked about by members of parliament. I have heard it talked about at the House on many occasions.

9 Did any member of parliament interview you specially in reference to this business ? Not specially in reference to this business.

410 Did any member of parliament interview you at your office pressing this ~~a~~ claim upon your attention with a view to settlement when seeing you in reference to ~~the~~ other matters ? No member of parliament that I saw ever referred to the matter except in a casual way.

411 Such a thing could not take place without your recollecting it . You say that the case occupied a great deal of your time and that it caused you very much annoyance. That being so no member of parliament could have interviewed you and have pressed for a settlement without your remembering it ? I do not think they did so in a pointed way.

412 But you do not feel sufficiently confident to assert that no member of parliament adopted that course ? Certainly no member came specially to see me about it. If they saw me at all they must have spoken to me about some other matter at the same time.

413 If any member of parliament had pressed upon your attention the advisableness of ~~their~~ settling the case, do you not think you would remember it ? If any one had done so specially I ~~do~~

p. 29

Water Supplies

remember it, but no member of parliament did so.. They may have spoken to me in a casual way about it, just as any member of this committee might speak to me about it. The case was referred to in the House - it has been talked about for a good time.

414 Mr F. Clarke. In the course of your experience as Secretay for Public Works did you ever know an application made for the deepening of water in front of ~~wharves~~ wharfs to be refused ? Never. In addition to that I may say that owners of property often ask~~ed~~ the Government to deepen ~~the~~ the water in front of their wharfs because the Government have dredges and facilities for doing the work. On some occasions when these matters have come before me the officers of the department have said that we ought not to do the work and that the owners should do it themselves. I have never known a case in which an application for the right to deepen was refused. We have always thought it a good thing to have it done.

445 Mr Molesworth asked you just now some questions about a point which does not seem to me to have been properly cleared up. He referred in the first instance to the letter of the Crown Solicitor dated the 12th March 1894, which appears on page ~~31~~ 34. At the close of that letter the Crown Solicitor says

I enclose the previous papers, from which it will be seen that the Under Secretary for Works was advised by you, under instructions from the Attorney-General, that if any settlement in this case of Hill should be proposed I should be communicated with. It would seem that the action of the Work Department has been in utter disregard of this advising. I have &c.

Bridge Portal (A)

When Mr Molesworth asked you about that particular paragraph you referred him to a letter on page 31, the bearing of which I think escaped the notice of the committee. That letter I think you said was not received by you until after the case was actually settled ? The case was settled some days before the 6th, and I had let the parties know that their offer would be accepted. I did not see the letter referred to until the settlement had been verbally agreed upon - until I knew that the parties would agree to it.

416 Mr Cann. How long were the negotiations going on in this case from the start until it was finally settled ? The case was settled in February 1394. It commenced in November or December 1391, as far as I am concerned .

17 Can you say from the parliamentary papers how long before that negotiations were proceeding ? Fromthe 4th February 1390 the date of the resumptions.

18 During that time had any offer been made as far as the department was concerned ? There was no offer made as far as Hills land was concerned until I made the offer of £100 per foot for the two portions which were the subject of the action..

19 I see from your evidence that in the case of Lahiff's property an offer was made and accepted before you went to the department ? Yes.

20 Still no offerwas made to the others ? No , that is what

Mr Hill complained so bitterly about, that he was treated so differently from any of the other parties at that time. If Mr Hill had an offer from the department the case would have been settled more quickly.

42 Although the valuation of the Government Valuator of Messrs Richardson and Wrench, and of Messrs Mills and Pile had been approved by Mr Mc Millan in February 1891 no offer was not made to the parties ? No, that was in consequence of Mr Robert Smith who was acting Crown Solicitor at the time stepping in and intercepting it.

2 It would appear that in consequence of that delay, and in consequence of the case being settled when it was, the parties lost a big sum of money ? There is no doubt in my mind that they lost £40 a foot ~~any~~ for a part of the land.

3 In acase where a number of parties are concerned is it usual to make an offer of settlement to one party, and to leave the others without an offer ? That is the matter upon which the papers went to the Crown Solicitor. He was to ascertain who were the parties entitled to have the offer made to ~~him~~ them. The papers were not sent to him upon the question of value. The Crown solicitor was to decide as to who were the proper parties to whom to make an offer.

4 Then the reason that the Government did not make an offer to the other parties was that they did not know to whom to make it. ? You will see that the papers went to the Crown Solicitor's office with an instruction to discover to whom the offer should be made. If you refer to page 11 you will see that after Mr Mc Millan had approved of the valuation

Mr Thompson said "These papers should, I think , be referred to the Crown Solicitor to advise as to how and upon whom the notices of valuation should be served". The date of that is 7.3. 31.

425 When the notice as to valuation was served upon the parties was it taken as an offer ? Yes.. They can accept at once if they like, and we are bound to pay them.

6 Mr Bavister. Is it a fact that the valuation was accepted by Mr Mc Millan ? Yes.I have already referred you to the minute of Mr Mc Millan in which he says that the valuation appears to be a fair and reasonable one. Then on a subsequent date, on the 16th February 1931 on a corresponding valuation for the same land he says "I understand that this is dependent upon another - that it is surely a proportionate amount distribution of the amount awarded". He evidently wrote that having in view what he had previously written.

7 What struck me was that it would appear in a more definite form if he had actually approved of the valuation. Wht might appear to be a fair valuation to a person might not commend itself to him for absolute approval without further inquiry ? You will find that on the 7th March 1931 after both these papers with Mr Mc Millan's minutes had gone back to Mr Thompson he wrote the minute I have just quoted sending the papers to the Crown Solicitor and asking to whom the offer should be made. The minutes of Mr Mc Millan were his authority for doing that.

8 I suppose you understood my questions just now as referring

to members of ~~a Privy~~ the Govt parliament. I suppose no member of the last parliament pressed upon your attention the advisableness of settling this claim ? Not in a definite way.

429 But some may have done so indefinitely ? Yes.

30 Mr F. Clarke . I suppose that in speaking to you they referred to the matter just as they would refer to any other case which was the subject of a certain amount of curiosity ? Yes. I heard many members speaking of it. I heard many members say they thought Mr Hill had been badly treated.

After
Mr Wall (The minute of Mr Mc Millan the papers were, in the departmental ordinary course of ~~parliamentary~~ routine, sent on to the Crown Solicitor to advise the as to the owners of land, and not as to the amount that should be paid ? Yes, in order that an offer might be made.

In the ordinary course of departmental routine would that offer have been made in accordance with the valuation as accepted by Mr Mc Millan ? Yes.

3 I understand you to say that had it not been for Mr Robert Smith this matter would have been completed in accordance with that valuation ? Yes.

4 What action did Mr Smith take ? If you look at page 13 you will find the letter to which I have previously referred which was written by Mr Thompson practically at Mr Smith's dictation.

In consequence of that letter the matter was held in abeyance. Yes.

Mr Lees_ Does that support your position in this matter ? I do not think it does one way or the other, but it casts a reflection upon the other valuers.

Could you give us a sample of the evide ce upon which you base your opinion as against that of the Crown solicitor as to the reason why there should not have bem a new trial ? In the first place those parties who ~~have~~ to had to deal with the matter at the time, that is at the boom time were in a better position to estimte values than we can possibly be now. Then the valuation was obtained from Messrs R chardson & Wrench, and Messrs Mills and Pile, two of the recognised valuers in the city who have a better knowledge than any one else as to wht properties were worth. Then again £172 per foot was paid for the CHallis property which is only separated from Hill's by a paling fence. Then Mrs laniffwas paid £150 per foot for a 30 ft frontage in the centre of Hills property. Brown took us to court and obtained a verdict including costs equivalent to £156 a foot for 15 ft in the centre of Hill's property. A long frontage such as Hills of 530 odd feet is worth a good deal more per foot than these short frontages I refer to. Then the point upon which the new trial was obtained, though it may have been technically right as a point of law, would have no influence with the jury, because the right to deepen has never been refused in the large number of cases in which it has been applied for. Mc Quade's case was settled under exceptional circumstances by myself for £85

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a foot . His frontage did not represent a corresponding per foot frontage with the 4 other properties, because it drew so much together at the back, ~~and if squared would represent a much higher amount per foot frontage~~. I could not see nor can I see now how it would have been possible to prevent a heavy verdict against the Government.

438 Mr Cann. I understood you to say just now that the reason no offer was made because of Mr Thompson's letter on page 12 written at the dictation of MrRobert Smith, yet you were not aware of the existence of that latter ? The matter was left in abeyance and was not brought before me until it was asked by the parties interested. I made inquiries with reference to the case, and I heard something which caused me to believe that there was a letter to this effect.

9 The letter was written before you took office ? Yes.

46 And you never had occasion to inquire about it till some time afterwards ? No. We took office in October and this matter came before me several months after that.

441 Is it not a funny thing that the department did not put this letter before you in the first instance, seeing that it was the reason why they had not made an offer ? I had not been pressed by the parties, but as soon as I was pressed by them to make an offer I became aware of the ~~in ex~~ existence of the letter to which you refer.

(3)

GOVERNMENT PRINTING OFFICE
DEC. 94
SYDNEY.

William John Lyne, Esq, M.P. sworn and examined.

300 Chairman. You are the member for The Hume in the legislative Assembly of New South Wales, and you filled the office of Secretary for Public Works in the late administration? Yes.

301 The desire of the committee is to get as much information as possible from you concerning the resumptions of land at Woolloomooloo Bay. Perhaps it would be convenient for you to make a statement to the committee ? I know nothing about the original resumption of this land. It was resumed by the preceding administration. I think Mr Mc Millan brought in a ~~bill~~ bill and passed it through parliament for the purpose of resuming this land. He then brought in an estimate of £200,000 upon ~~the~~ a loan bill. I think that was in October 1889 . That was for the purpose of paying partly for this land, and also for some land which he proposed to resume in Erskine St Darling Harbour. When I took the position of Secretary for Public Works the matter came before me in the ordinary course, and I found that offers of payment had been made and had been accepted in the case of the Challis estate on a valuation made by Richardson and Wrench, Mills Pile & Wilson and J B Thompson the Government Valuator. The valuation was about £170 a foot. That of course had gone beyond my control. An offer had also been made and accepted in respecttothe 30 feet belonging to P. Lahiff of £150 per foot for the 30 feet. That is shown as in the centre of the property which was resumed from Hill, Bellisario and others. I am speaking now of the whole of the Hill property. £125 per foot had also been offered upon ~~the~~ a valuation by the same men I think for 15 feet

belonging to a Mr J. Brown. That had not been accepted. I withdrew that offer after submitting to the cabinet and offered £75 a foot. I considered that that was sufficient for a small portion of 15 feet which was practically useless for shipping purposes.

302 Chairman. Do you remember the depth of that piece of land? It was 132 feet on the south side, 127 feet on the north side by 15 feet. The depth of lahiff's property was 143 feet on the south side, 132 feet on the north side by 30 feet frontage. I looked upon both these properties as useless for any commercial purposes as far as wharfage was concerned, but especially the 15 feet. I therefore withdrew the offer, and I withdrew it against the advice of theCrown Solicitor Mr E A Smith. In the first place he advised a withdrawal, but he afterwards wrote advising me not to withdraw . A letter was written by him, it is among the unprinted papers - I am referrg now to the Brown property - & I believe it is dated 7th November 1892 in which he says he does not think it worth while withdrawing this offer, as the difference would be small even if the lesser amount were paid. However I withdrew the offer and made an offer of £75 which Mr Brown refused to take. He took us into court, and a verdict and costs brought the amount up to £156 some odd shillings a foot. The crown Solicitor wrote when the case was over, and said that the verdict would appear to be £100 a foot, deducting the buildings. I beg to differ from the Crown Solicitor, because I did not think the buildings represented anything likethe difference. What I want to show to the committee is that through ~~my action in~~ fighting the case in the court we had to pay a great deal more than we should have had to pay if we had settled at the offer of £125 per foot

303 Mr lees. What was the actual verdict apart from the costs?

I cannot say at this moment. Now with reference to Mr Hill's case I may mention that Mr Hill saw me a great many times ~I am afraid to say how many. He was always worrying me, and I was very much put out over the case, because every day or two some one would come to me in order to get the case settled. I recognised that it was not fair to the parties to keep this case without an offer, because if the Government resume land the parties cannot sue until the Crown makes an offer. This land had been taken on the 4th Febru ary 1890, and in 1892, two years afterwards no offer had been made. I was pressed to make an offer with a view I suppose, if it were not accepted of the matter going to law. I took the matter to the cabinet and after discussion the cabinet authorised me to offer £100 a foot. ~~H on members~~ The committee will see that that is so if they look at pages 18 of the parliamentary papers.

4 Chairman. Was that offer made before Hill and party went into court ? Yes, they could not go into court until they got the offer. If the committee refer to the same page of the parliamentary papers they will find a letter from the Crown Solicitor in which he ~~compares~~ suggests that a property containing practically 533 feet ~~is~~ was of the same value per foot as a property of 15 feet. That I looked upon at the time as an absurdity. I said then, and I say now that a property of 533 feet is worth a good deal more per foot with a water frontage than a property of 15 feet frontage is worth.

At all events we offered £100 a foot, which was refused.. I considered, and I think the cabinet considered, that if we offered £75 per foot for 15 feet , £100 per foot was a proportionate offer for 533 feet. The offer was refused and the case was taken into court. A trial took place and a verdict of £200 per foot was obtained. With reference to that verdict I should like to direct the attention of the committee to page 25 of the parliamentary papers which contain the summing up of the chief justice. ~~Hon~~ The committee if they read the papers will see that the Chief Justice was against the other judges upon the question of the right of ~~f~~ deepening the water frontage. The Chief Justice held that the right exsted, but when the appeal was made for a new trial the other judges over-ruled ~~the~~ him ~~Chief Justice~~. The Cjief Justice said "Mr Gregg gives the value at £175, Mr Mills £165 all round, Mr M'Credie, who made this plan, and who went into a very elaborate calculation, of wht you may think a very impossible claim, and upon whose evidence not much reliance can be placed on the ground, not that he is not speaking the truth, but that be what he puts forth is incredible, values ~~A~~ the large piece at £280 and the smaller piece at £175 per foot, and he bases this value on the assumption that large buildings costing large sums of money will be erected, that an approach to the wharf property would be made , and that two jetties would be run out in to the harbour". later on he says "Then there was Mr Martin who is a wholesale ironmonger and who is connected with Lassetter. He says he has had a good deal of experience as a land buyer, but I do not know w that he has had anything to do with wharves. Then there is Mr Taylor who values the property at from £170

to £200. He is the owner of Russell's wharf, and he ought to know his business. What I have said about other wharf owners applies to him, and the only question is whether, looking at the large number of witnesses on the other side, you can place reliance on Taylor's evidence as opposed to the evidence given by the witnesses for the defendant. Of course he is a reliable witness, and you ought to take his evidence into careful consideration and deal with it as with the others. Then there is Clark who is a produce merchant" That is Mr Henry Clark who was a member of the late parliament. I quote this because it seems to me that many witnesses, men who ought to know, express very strong opinions as to the value of this property.- Mr Clark,- Mr Martin, Mr Taylor, Mr Mr Gregg and others. I looked into the case, and I got a copy of the list of witnesses, which the committee will find on page 28 of the parliamentary papers for the plaintiff I obtained that to see whether in my opinionthere wasany good evidence as far as the plaintiff was concerned. I must say, that I found a good deal of the evidence much stronger than I expected. When the new trial ~~took place~~ was applied for I had a conversation with Sir George Dibbs about this matter. He said he thought it would be better to leave the matter until the new trial was obtained, ~~here a strong~~ and that we should then have a stronger position if ~~the trial~~ it were obtained. Therefore I ~~left~~ let the matter rest until the trial had been obtained. Mr Hill saw me once or twice, and I toldhim that the Government would be prepared to settle at a reasonable value, but not upon the high value he seemd to place upon the land. I also told him that I thought the Government would be prepared on a fair basis to

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settle for the whole of the land, & not to have a fight over one piece and to leave the other to be settled afterwards, and perhaps to have the same fight over that. Mr Hill then put in a letter offering to take £185 a foot all round. When he put that in I told him I did not think it was of any use submitting that price to the cabinet, and that I thought it was a good deal too high - a higher price than I could advise the cabinet to pay. I said that unless he was prepared to come down to something reasonable, I did not think his letter was ~~sour~~ worth bothering about. I am not quite certn, but I do not think that I ever submitted that letter to the cabinet. The matter drew on until we got notice from the bank of New South Wales in a letter which you will find on page 30 of the parliamentary papers dated 30th December 1893 ~~instructing~~ claiming us to pay any money in respect of this land to the bank. Then the matter, so far as they were concerned, seemed to become very acute, because they pressed very hard indeed to get a settlement. But even then they would not come to what seemed to me to be fair terms. I refused to take any action until I received a letter under date 15th February offering to settle at £150 per foot all round with the usual percentage. I took that latter to the cabinet and I feel certain , though I would not like it to be taken as absolutely certain, that at that cabinet meeting the Attorney General was present. It was upon that letter that the discussion took place as to what we should pay for this land. The cabinet decided they would not give £150 a foot

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but finally it was agreed - of course it was only known to ourselves - that if the other side made an offer of £145 per foot we should accept it, but that we would not make the offer in the first instance. Sir George Dibbs refused absolutely to put any memorandum from the cabinet on the papers. Some delay arose - I do not know the cause. I did not come to know that they would take £145 a foot - I do not think they offered to take it - until a few days before the trial was to come on. The trial was to come on at the beginning of March, I do not know the exact date, & the claimants for this money ultimately about thelst or 2nd March, as far as I can judge, but I have nothing to guide me as to the day, agreed to take £145. But they then wanted 10 per cent for forcedsale, and that had not been discussed by the cabinet. I was not in a position to say whether 10 per cent would be given with the £145 or not, & I refused to do anything until I had taken the matter to the cabinet again to ascertain whether it was intended that the 10 per cent should be paid. When I took the matter back again - I think it was the 1st or 2nd March it was again discussed, and it was decided that we should not pay 10 per cent for forced sale. One of the part es , I think it was Mr Hill, thereupon refused to make any offer at all at that time or to settle the matter. But I think the manager of the Bank of New South Wales or some other person came to the UnderSecretary for Public Works , having heard that we were prep red, if they offered it, to take £145 a foot without the percentage for forced sale for the purpose of making the offer. Mr Barling came in to

Walker Smith

me to know what he was to do. I told him that the cabinet had desired me not to let the matter go out of my hands until it was absolutely clinched, so that there could be no withdrawing, and that is how the document came to be signed by Stephen, Jaques and Stephen inside Mr Barling's office. When I found out that there was no date given upon which we had decided to take £145 I took the papers to Sir George Dibbs, ~~immediately~~ shortly after a cabinet meeting for my own security, and I got him to endorse upon them what the cabinet had agreed to. That is how it is that the endorsement of Sir George Dibbs is dated the 6th March. There was no cabinet meeting on that date. I took the papers to him after the decision of the cabinet and before I acted definitely upon them. It was necessary for the Minister to secure himself - to have some record to show what the cabinet had decided. Sir George Dibbs wrote the cabinet minute which appears among the parliamentary papers, and Mr Barling got the solicitor to sign the document i n his office. Before that, however on the 5th March, he sent a telephone message to the Crown Solicitor. As far as I can remember it was on the day when I became thoroughly aware that the parties would accept £145 a foot and made that offer. The Crown solicitor was told what had been done, and he was also told that he had better withdraw the case from the court or something to that effect. I knew nothing more about the matter until I got the first letter from the Crown Solicitor with the minute of the Attorney General which appears on page 34 of the parliamentary papers. If the committee

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Sir Luth Peterson

will read that letter and minute they will find that the Attorney General says, according to the Crown Solicitors letter, that a meeting of the Cabinet had been held after the matter was decided at which I was not present, & that there seemed to be an expression of opinion in favor of not settling the case. I replied to the Attorney General that it was a matter of which I never had any knowledge, and that that was the first I had heard about it. The committee will see that in one of the letters ~~that~~ the Att. Gen says he was aware that I was not present, but that that was the effect of the conversation which had taken place. The committee will understand that not knowing anything of the conversation referred to, I did what was decided should be done. If they wanted me to do otherwise they should have let me know whenthe matter would have been remitted to the cabinet again.

305 Chairman. Was there a cabinet meeting to deal with Hill's case after it had been decided to pay £145 a foot ? There was one after the 15th February.

6 Dealing with Hill's case ? Yes.

7 When was it held , and why ? It was held in consequence of my not being certain whether the cabinet intended to pay 10 per cent for forced sale with £145.

8 No cabinet meeting was called after that to consider the mtter ? There never was a cabinet meeting. Two or three members of the cabinet met together, but there was no regular cabinet meeting. The Attorney General dropped down to see Sir George Dibbs, and perhaps Dr Mac laurin may have been

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Peterson Curtis

present, but there was no cabinet meeting. I had heard nothing about it. As far as I can judge the conversation was in consequence of a telegram which the Crown Solicitor had addressed from ~~Blackheath~~ Wentworth Falls to Mr Parkinson in these terms

DOCUMENTS received as minute of last instructions not sent. Impossible for me to say whether alleged settlement final and binding. Tell Curtis to do nothing towards postponing or withdrawing case without express instructions of Attorney-General. I take no responsibility. See Attorney-General, and say I protest against action taken, as settlement on terms mentioned is monstrous, and in manner grossly irregular. If possible, settlement should not be recognised, but trial proceed. I shall return to-morrow. Could see you at my house Saturday evening or Sunday if necessary. Perhaps, if settlement not conclusive, case might be adjourned till 2 o'clock, Monday.

ERNEST A. SMITH,
Crown Solicitor.

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I think in the first place that that is an impudent and insulting telegram. He speaks of an allegedsettlement, whereas he had received intimation from me, through the Under Secretary of my department that the case had been settled. The Attorney General I understand sent the telegram to Sir George Dibbs I think on the Saturday night. I had no knowledge of the telegram until the whole thing had been settled and the document had been signed in my Under Secretary's office & I wish to say this in my evidence - that the action of the Crown Solicitor had been for some considerable time such that he practically took control of my department in connection with matters of fact in connection with land matters. I resented it. I do not think he had a right to do anything of the kind. As often as he was required I asked him to come and see me about various matters, but I would never consent to hand over dozens of big matters in connection with land resumptions, contracts and other things in my department to a Crown law officer so that he might decide upon mattersof fact. He may decide matters

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of law, but I am as good a judge as he is as to whether a settlement would be an equitable one or not. My wish all through, while administering the department, was to settle any reasonable claim that I could without going to law, because as the committee will see from these papers the experience I had ~~of sending any land case~~ of sending any land case to the Crown Solicitors department was not encouraging for we never won practically one case ✓ we had to pay very heavy sums in costs. The Crown Solicitor takes exception to that statement I know - it is made in one of my minutes, and he instances the caseof Blue's which was won in the courtz I had said that there was no case in all the cases which I had had before me which had beenwon, although we had gone to ~~various~~ Privy Council I look at Blue's case the particulars of which are given on page 40. The amount claimed ~~was~~ £14323 ~~£40,383~~, the amount offered was £4,070, the amount awarded was £9,639. He could compel usto go to arbitration and he did compel us. I thought the arbitrators award an exorbitant one and would not accept it and let the case go into court. I think there was an offer of £7500 to settle the matter before it went into court, and the verdict of the jury was £7600. The cost of the award was £1310, the cost of the crown solicitors department I never could find out, but they were very heavy. If you add these together you will find that we might just as well have paid the £9,639. We should have been no worse off. I do not ~~wish to~~ know whether the committee wish to hear anything further from me upon that phase of the question.

Robinson
Smith

309 Mr Lees. I think you might now express an opinion after what has been said, as to whether it is worth while referring anything to the Crown Solicitor in the matter of ~~re~~ land resumptions except for legal information ? If the Minister decides that he cannot come to a settlement, then the matter in its legal aspect must go to the Crown Solicitor, but in any other aspect I certainly do not think the Crown Solicitor's department is a department that can very well judge the value of land in respect to which claims are made . I do not wish to mention any particular case, but there were innumerable cases, dozens of cases in my department of immense importance that never went to the crown law office at all until they had to prepare the documents for final settlement. This communication of the Crown Solicitor felt something like an imputation upon me, and I felt sore about it. That was why my minute was so strong in reply to him. If a minister cannot be trusted to deal with matters of this kind, how can he be trusted in dealing with 101 cases where he has to use his judgment in connection with the expenditure of hundreds of thousands of pounds in the settlement of contracts & other matters which never go to the Crown Solicitor's department.

310 Mr F . Clarke. And after all this matter was settled by the cabinet ? I considered it such an important matter that I would not settle it.

11 Mr Lee. You concurred in the amount offered? Yr.

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382 Mr Lees Where does the importance of the case come in ?
In the vast amount concerned - it came to £100,000. I thought my colleagues would have just ground forcomplaint if I had settled the case without consulting them upon it.

13 Chairman. You said a little while back that while the Crown Solicitor refused to give more than £75 for the Hill property in the case of Brown's property he advised that the offer of £125 a foot should not be withdrawn ? Yes, the letter to which I referred is dated October 29, 1892, and it contains these words "As it has now been determined to offer to other adjoining owners £100 per foot for the bare water frontage, & I suppose that Mr Brown's property would be valued on the same basis - the difference between the amount already offered and the amount of the new valuation made on this basis with the sums added for forcedsale and improvements would be so inconsiderable that I am inclined to think that the present valuation should not be withdrawn, especially in view of the fact that it has been allowed to stand so long" That letter was sent to me by the Crown Solicitor, but I decided to withdraw the offer. | I did not think the land was worth as much as £125 per foot. In a letter of a previous date the Crown Solicitor had advised a withdrawal of the offer. | I would like now to refer to another matter. Mr Barling yesterday produced a document which showed that Mr Mc Millan had approved of the payment of £175 as a valuation of the land which was taken into court in Hill & Co's case. I cannot

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understand how it is that that paper had got away from the other papers altogether, excepting that there was a claim put in for £151,000 by some other persons for the same land upon which Hill & Co claimed £91,000. There were two valuations of £175 per foot in each case, and they both applied to the same land. The £91,000 valuation seems to have become the paper which was considered and put with the other documents, but the paper which Mr Barling produced yesterday with Mr Mc Millan's approval I never saw until Mr Barling produced it. I think the reason he looked for it was this In looking through the papers on page 11, it struck me that before I came into office all these land matters had been sent by Mr Bruce Smith to Mr Mc Millan because he had started the matter. They were sent over to the Treasury on the 4th February 1891 and they were returned on the 11th of the same month. Then the Under Secretary for Public Works says "It will be seen that the Treasurer has not dealt with minute 49" Minute 49 was this case of Hill & Co. Immediately after that are these words "Will the Under Secretary for Finance and Trade kindly re-submit it to Mr Mc Millan" Then comes this minute "completed and returned 17.2.91". Above that letter in the valuations will be seen the completion "I understand that this is dependent upon another - that it is surely a proportional distribution of the amount awarded" That is where the two cases came in. That was sent to Mr Thompson.

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Wilson Rodgers

I asked Mr Barling if he could tell me anything more about the matter havingbeen sent over to Mr MO Millan. That is how he came to have the papers hunted up in the office, and came across Mr Mc Millan's approval which he ~~prop~~ pred produced yesterday. The committee will remember tht Mr Mc Millan said tht he considered the valuation a reasonable one. I never remembrseeing that paper until yesterday. If hon the committee will look at the bottom of page 11 of the parliamentary papers they will find Mr Thompkin says " These papers ~~stand~~ should I think be referred to the crown Solicitor" Not to deal with the question of value - Mr Mc willan had settled the whole thing and had approved of it He had not asked the crown Solicitor to approve of it, he had settled the whole matter "to advise as to how and upon whom the notices of valuation should be served" That is the purpose for which he thought the papers should go to the Crown Solicitor in this case. On page 12 hthe committee will find a report by Mr Thompson which I never saw for many months after I had been in the works department. To my mind, seeing that it is a special and confidential report, it never should have been produced. Although I afterwards became aware of its existence, I refrained from putting it with the papers, and it never had been. I think it is a document which is calculated to injure Mr Thompson and that it should not have been published. I am not quite sure that the firm referred to would not have an action against him. As I have said that document was not shown to me for some time

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after I went into the Works department. I made a query one day of Mr Barling, and that led to his producing this document which he had kept as confidential, and which was always afterwards kept as confidential. It will be seen that Mr Thompson repudiates two valuations that he had sent in in conjunction with Messrs Mills and Pile and Messrs Richardson and Wrench, and he gives reasons for his repudiation. What took place was this Mr Robert Smith was acting Crown Solicitor at the time, and when the documents went to him, he went down to the Works department where in Mr Barling's room Mr Thompson practically wrote at Mr Smith's dictation this paper. That is what took place in reference to that. All that I want to explain to the committee is that it is a confidential document, it was never acted upon because it was confidential. It was lying dormant until these papers were produced, when it was put among them for the first time. With regard to the values the Crown Solicitor in one of his letter says that the value of water frontages in Woolloomooloo Bay in 1886 was higher than at the time of the resumption in 1889. I know that was not so. 1889 was practically the commencement of the fall of boom values. Properties were very much higher at that time, & we had to consider the value of the resumption at the time the land was taken, and not now. The money which Mr Mc Millan had had voted was for other purposes, as he described at Erskine Street. for instance—

That is apart from the Woolloomooloo resumptions. That

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matter having been referred to in Mr Barling's evidence yesterday I think I might say a few words about it. Cox's property at Erskine St was resumed containing an area of 1 rood 16 perches, the claim was £83,000. The sum of £60,000 was paid without question or £171,400 per acre and £346 16s 5d per foot. That is what was paid for this land at Erskine St for which the money was voted. That shows the values at the time at that particular place. I have taken the trouble to find out the capital value on the rents of some of the properties at Circular Quay. Take the Manly wharf. I find there is a frontage of 50 feet for which £1000 a year is paid. If you put it at 3½ per cent it will give you £600 a foot.

3654 Mr Cann. Did you do the same thing in reference to the land under dispute ? I did not. I do not think the land there is used, nor can it be used until money is spent for making wharves. It is in its native state. With regard to Mc Quade's property you will see that there is a long frontage to it with lines converging together to a short back, so that if you take off about a third of it to make it a square block, you will find that you have paid about £120 a foot. With reference to the settlemet in that case Mr Mc Quade came to me on many occasions in very bad health. Mrs Mc Quade came with him, and she also saw me herself, and pressed me to settle the matter. She said she did not think her husband would live long, that they wanted to go to England, ~~and that~~ she wanted to have the matter settled before

anything happened to her husband. The property is not so valuable at the back, in consequence of the want of frontage. Although it is of greater depth there is no practicable access at the back, and chiefly for the reason I have given I have got the matter settled, and I got it settled without reference to the Crown Solicitor or anyone else at £85 a foot. I would not have done so, except that Mr Mc Quade was so ill. He shortly afterwards died. That will account for the discrepancy between the amount paid for that property and the amount paid for the other frontages. Something was said yesterday about the depth of these properties. The mean depth of Iahiff's and Brown's properties is 133 feet of for which £150 was paid for 30 feet, and £156 including costs and buildings for 15 feet. The mean depth of Hills ~~Holt's~~ property for which we paid £145 without 10 per cent for forced sale and without any costs is 141 feet for the whole of 533 feet

(2.)

GOVERNMENT PRINTING OFFICE 11 DEC. 94 '39

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

ON THE

Resumptions of Land.

WOOLLOOMOOLOO BAY ~~RESUMPTIONS.~~

Thursday, December 6, 1894.

P r e s e n t -

Mr Bavister,
Mr Cann,
Mr Fraser Clarke,
Mr Lee,
Mr Lees,
Mr Molesworth,
Mr O'Sullivan,
Mr James Morgan,
Mr Piddington,
Mr Wall.

J. James Morgan, Esq, in the Chair.

George Hill, called in, sworn, and examined.

100 Chairman. You are one of the parties interested in the claim in respect to the resumption of land at Woolloomooloo Bay ? I am.

1 When was your land resumed ? I do not know the exact date. At all events you sent in through your solicitors a notice of claim on the 25th April 1890 ? Yes.

3 What was the amount of your claim ? I cannot say from memory.

4 You cannot say what value you put upon the land per foot? I cannot, speaking from memory.

But you have before you documentary evidence, and it would be much better to refer to that.

Pelman Paper

16 You refused to accept the valu ation put upon your land by the Government ? We did.

6 And you instituted proceedings to recover the amount of your claim ? That is quite right.

7 What was the verdict of the jury ? £200 per foot.

8 I think as a matter of fact you claimed £300 per foot? We did.

9 Was the amount of the verdict awarded by the jury paid to you ? No. The Government applied for a new trial and got it.

10 On what ground ? On the ground of misdirection of the jury. It was stated that we had not the power to deepen the water in front of our property. It was a very frivolous objection I consider, and I do not think it was a fair one. The ~~power~~ right has never been refused to any one.

11 The Government refused on that ground to settle the claim, and later on, I think you offered to settle it on some other terms ? Yes.

12 I believed you offered to take the sum of £185 per foot ? We did.

13 What reply was given to that ? The Government would not give the amount.

14 Afterwards did you make another offer ? Yes.

15 What was it ? That I cannot say from memory. This matter has been running on for 4½ years. But you will find documentary evidence upon all these points in the papers.

16 The second offer you made was not accepted ? No, it was refused.

17 Finally did you make an offer to take the sum of £145 per foot . Did you or your solicitors or any one on your behalf make an offer to accept £145 per foot ? Yes, that offer was accepted by the Government.

18 Did you make the offer ? I did not. I think Mr Belisario and the manager of the bank did it. It was almost out of my control at the finish.

19 What had the manager of the bank to do with it ? It was the manager of the Bank of New South Wales. He held a mortgage over the property, & he was very anxious to get the matter closed; in fact he insisted upon a settlement, and would not give us the power to go to law again. I think the manager of the bank, as far as I can recollect now, wrote a letter in very strong terms demanding an immediate settlement. It was at the time the banks wanted money. Practically we were obliged to do as they told us.

20 If the matter had been left to you and if you had not been involved with the bank, you would not have made an offer of £145 per foot ? If the matter had been left to me alone, I would not have taken a fraction less than £200 per foot, but Mr Belisario had a share, I had a share, a man who is now dead had a share, and his executors would not agree to go to law again.

Are you aware whether a valuation was made by Richardson And Wrench, Mills and Pile & Mr J.B. Thompson the Government Valuator at the early stages of these resumptions ? Yes.

Do you remember the amount of their valuation ? It was

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£175 per foot I believe. and I believe 10% per cent

123 Your object in refusing to take the money offered by the Government was to obtain more ? You believed that the property was worth a great deal more ? Certainly it was worth more - I can prove that it was.

124 Judging from the sale of properties at Woolloomooloo Bay have you any reason to believe that the land was worth more than the sum offered ? I have very good reason to believe that it was..

125 Do you know of any properties sold, or put under offer for sale at Woolloomooloo Bay at a greater sum than you ask. ? I had a piece of property in Woolloomooloo Bay which was made land without water frontage. On many occasions we refused £160 per foot for it. There is a piece of land next door belonging to the St ndard Paint Company for which they have refused £130 per foot. Mossman and Munro's property without water frontage brought £21,000. You must recollect that the land which the Government resumed from us was all virgin land which had never been disturbed. The land to which I have just been referring had beenfilled in, and it would have been impossible to put down foundations in it without a lot of trouble and expense. The tide runs underneath it.

126 None of the properties you mentioned have a water frontage ? No, and they are only half the depth of the other two properties.

127 And you say that offerswere made for those properties higher than the amount you received for your property with a water frontage to the bay ? Yes, considerably higher.

128 Finally the offer of £145 per foot was accepted on your behalf by some one ? By Mr Belisario and the manager of the bank. I do not know what the manager of the bank said, but that was howit was settled.

9 The amount was paid to the bank ? Yes.

130 In the course of these transactions you had to see the Secretary for Public Works of the day , Mr Lyne ? Repeatedly; in fact I was a nuisance in the office.

1 Your object in seeing him was what ? To try to get a settlement in respect of the property in Woolloomooloo Bay.

2 Had Mr Lyne any interest in the settlement of the claim upon that property, apart from his being Secretary for Public Works at the time ? Not the slightest.

3 Was he to receive from you any consideration whatever, because of the claim having been settled ? Not the slightest in the world.

Do you consider that he acted in a friendly way to you throughout 4 ? I consider that he acted in a very harsh manner, indeed. He screwed me down to the last fraction.

5 In no way was Mr Lyne interested, so far as you know, in the settlement of this matter, except in his capacity of Minister of the department which resumed the land ? As far as I know he had not the slightest interest in the matter; in fact I think he was antagonistic to me. And after the bank had been to the department and he knew my position, I think he was even harder with me.

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136 Did you ever make an offer to Mr lyne that if he settled this claim he should receive any consideration whatever ? Never.

7 And so far as you know Mr lyne received no consideration from you or from any one else connected with these resumptions ? None whatever . How was it possible?

8 Mr Lee. There were 541 feet 3 inches of your land taken altogether ? Somewhere about that.

9 And the area which you went to law about was 303 feet 3 inches ? Yes.

For that 303 feet 3 inches you got a verdict of £200 per foot ? We did.

The area of 235 feet was not referred to the Supreme Court ? It was not.

According to the correspondence and your own letter the 235 feet was valued by the Government Valuator at £131 per foot ? Yes..

And you say that your final settlement with the Government was at the rate of £145 per foot ? Yes.

You received £145 per foot, and the 235 feet was valued at £131 per foot ? Yes.

In the course of a letter dated 15th February 1894, and addressed by G. Hill & Co to the Secretary for Public Works you say "The other portion of our land say about 236 feet - has been valued by the Government officer at £131 per foot" ~~with the usual percentage~~ ? That is correct, and it is not correct, because it was £131 per foot with 10 per cent added.

146 Therefore in your final settlement you lost on the verdict £55 per foot on the 303 feet 3 inches, and you gained £14 per foot on the other area ? No, we did not gain anything on the other area, because 10 per cent had to be added for forced sale.

147 Mr Wall. Did the price stated in the letter contain the amount for forced sale ? No, 10 per cent had to be added I think you will find that instead of gaining £14 per foot we gained nothing.

148 Mr Lee. In your final settlement of the claim you got £145 per foot with interest at the rate of 6 per cent from the date of resumption, and without 10 per cent added for forced sale ? Yes , & nothing was allowed for the buildings. All the others parting with their land were allowed for the buildings upon it. There were valuable buildings on our land for which we were allowed nothing.

149 There appears to have been a lot of correspondence, and a great many interviews between yourself and the Secretary for Public Works about the setilement of this claim ? There were a great many interviews.

150 Had you any interviews with Sir George Dibbs ? I had.

Do
~~Did~~ you know about what dates they took place ? I cannot give you the dates, because as I have said this matter had been going on for four years and six months.

And it was settled in March of this year ? Yes, but I cannot give you the dates.

7

153 Did you see Sir George Dibbs about March of this year ? I could not say whether I did or not. I do not think I did. I remember ~~wanting~~ once wanting to see Sir George Dibbs, and his refusing to see me.

4 You made two offers after you obtained your verdict. In the one case you offered to take £185 per foot, and in the other you offered to take £150 per foot. Eventually the papers show that it was settled for £145 per foot. How did the final settlement come about ? The final settlement was arrived at behind my back. It was settled by the manager of the Bank of New South Wales and Mr Belisario.

5 Was the settlement of the matter brought about through any personal influence of yours with any Minister of the Crown ? No, I think they robbed me when they settled it at £145 per foot.

6 Had you the assistance of any members of parliament ? No.

7 Not at any time ? No.

8 You wish the committee to understand that so far as you are concerned if you had not been under financial pressure you would not have assented to a settlement at £145 per foot ? I certainly would not, & I will explain to you why I would not. We were offered £160 per foot for land in Woolloomooloo Bay without any water frontage, and the Standard Paint Co next door, refused £130 a foot for their land. Bahiffs land had a frontage of only 30 feet and was only half our depth it was useless ~~for~~ as a water frontage; Brown's land was 17 ft by 16 feet, it was useless for a wharf; but both those

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properties brought more than our land did, and the Gove nment paid a sum of money into court. I consider also that our land was more ~~land~~ valuable than the land the Government bought off the university. They bought it not at a forced sale, but in a regular deal, & they gave £192 per foot. I believe our land (which was in its natural state) was worth considerably more than the Challis block.

159 You were aware at the time the settlement was arrived at that the Government had obtained a new trial against you ? They had, and on a very paltry excuse.

160 Did that circumstance influence you in accepting a lower amount ? The bank made us do it. That is what really influenced us. In reality I had no voice in the matter.

161 You were not a party then to opposing the application for a new trial ? It was done in the usual way. The Government applied to the Full Court for a new trial and obtained it.

162 When the Government had decided in Cabinet to pay £145 a foot, did your solicitors consult you before ~~xixhtix~~ writing the acceptance ? I cannot tell you. If they did you will find it all in writing.

163 The papers show that they did . Before signing the cabinet minute did they consult you ? They must have done so.

164 Did you agree to the acceptance ? I did not agree to it.

165 Would you not have to give your consent to the settlement ? The settlement was made behind my back by the manager of the

Page Nats

bank of New South Wales, and Mr Belisario.

166 The Bank of New South Wales were mortgagees ? Yes.

7 With a power of sale ? You may depend upon it they had us bound down as tightly as they could get us. They wrote to the Government asking them not to pay us the money, and we did not receive it.

8 I ask you once more did you have to enlist ~~the~~ any outside influence - parliamentary, ministerial, or otherwise - to obtain this settlement ? None whatever. The settlement was obtained adversely to my interest.

9 Chairman. Is it true that when you heard of the settlement having taken place behind your back ~~and~~ your Solicitor by Mr Belisario and the manager of the Bank of New South Wales you went down to Mr Barling and kicked up a row with him ? I d d. I did not believe there was a settlement.

10 You used very strong language about it ? It is very likely that I did.

Mr O'Sullivan. You say this matter was settled behind your back and adversely to your interests ? Yes.

I presume that the bank had you so tightly fixed in the financial crisis that you were compelled to do as you did - you had to accede to their terms ? Of course I had.

Had Mr Belisario the power to go and make this arrangement with the bank manager ? Yes. He stood in the same position as I did.

10

'74 He was a partner with you ? Yes.

5' I suppose he went to the bank manager and between them they dedided without regard to your wishes to accept the £145 per foot ? They did. Of course I do not know what conversation took place.

6 We must accept that as the reason why you eventually took £145 for a property which you originally valued at £300 per foot ? Yes. I had no voice in the matter at all. This thing had been carried on so long, for a period of 4 years and 6 months, as I think I have already said, that the bank ~~were~~ was getting sick of it, Mr Belisario was sick of it, and I also ws sick of it.

7 You said just now that in your opinion Mr Lyne had treated you harshly ? I think he treated me very harshly - he screwed me down to the last shilling.

8 What you mean is that he treated you harshly in beating you down in the price of the land ? Yes, and I think that when he saw the Bank Manager down there it made him a little harsher - He knew that we were compelled to sell, & he took advantage of that knowledge.

9 It is clear at all events that the bank manager and Mr Belisario settled this matter - you did not settle it ? I did not settle it. It was settled as you say by Mr Belisario and the bank manager. I cannot say what conversation took place. For aught I know Mr Belisario may have been the more instrumental of the two in settling the matter. At

//

all events the banks would not carry the matter on any further. They refused to give us further money.

180 Mr Belisario was a partner with you in all this land ?
Yes.

You were simply a victim of circumstances caught on a lee shore at a time of financial depression, and you were ~~com-~~ compelled to take a price which you would not otherwise have taken ? Yes.

Suppose you had resisted, and said that you would not ~~lend~~ let the land go at the price it did, what would have happened ? Mr Belisario would have sold it to the Government - ? had no voice in the matter.

Chairman. Whom did the bank manager and Mr Belisario see in this matter; are you aware ? I think they saw Mr Barling.

Mr Molesworth. You said just now that this matter was settled behind your back and without your knowledge and consent ?
Yes.

Was the offer made to the Government by Messrs Stephen Jaques and Stephen for a settlement also made without your knowledge and consent ? I do not say that it was, but the final settlement was behind my back.

Let me refer you to two letters written by Messrs Stephen Jaques and Stephen to the Under Secretary for Public Works under date the 3rd March and the 6th March. They are as follows:

Sir,

We have the honor to inform you that we have been advised by our clients that this action has been settled with your Department, and that the rehearing, which is set down for Monday, the 12th instant, will not take place.

On inquiring at the Crown Solicitor's Office, this morning, we find that they have received no intimation of the settlement of the action, and we would, therefore, feel obliged if you will inform us at once whether our clients are correct in considering that the action is settled.

If you require from us a formal intimation that our clients are prepared to accept the amount which we are instructed the Government are prepared to pay, we shall be glad to give it.

We have, &c.,
STEPHEN, JAQUES, AND STEPHEN.

P.S.—An early reply will be esteemed a favour, as the action is set down for hearing on such an early date.—S., J., and S.

Sir,

We have the honor, following up our letter to you of the 3rd instant, to now notify to you, on behalf of our clients, that they are prepared to accept the sum of £145 per foot for the whole of the land, having about 55¼ feet frontage to Woolloomooloo Bay, together with interest from date of resumption.

We have, &c.,
STEPHEN, JAQUES, AND STEPHEN.

p. 10

I should like to know if those letters were sent with your knowledge and consent ? I could not say now ~~that~~ they were ~~XX~~ or not. There were so many interferences by Mr Belisario on one day and by the bank on another that I cannot remember precisely what took place.

187 But Stephen Jaques and Stephen were your recognised solicitors ? Yes.

8 Then they would scarcely have sent these letters, and especially the letter under date of March 6, without your knowledge and consent ? They may have done so. Whatever they did I was bound by it. I was bound by what Mr Belisario ~~and~~ ~~t~~ did..

9 Messrs Stephen Jaques and Stephen were acting as solicitors for yourself and your co-partners ? Yes.

10 They acted for the firm ? Yes.

13

Then I suppose they would act under instructions they received from the firm ? They might receive instructions from me or from Mr Belisario.

Mr Wall. Mr Belisario would have power to give instructions to them ? Yes, just the same as any one of the rest of us.

Mr Molesworth. You think that any one of your co-partners would act in a matter of this kind without consulting his fellow partners ? It is possible that he might.

Would he go so far as to make a definite offer for settlement ? Yes. There had been so much haggling about it that we were all sick of it.

Is it not most unusual for a partner to act without consulting his co-partners to the extent of making an offer for the settlement of a claim upon so large an estate ? It is very likely we were all consulted. But there were hundreds of applications and offers in connection with the matter, which, as I have said ran through 4 years and 6 months. It is hard now for me to tell exactly what occurred.

I am now referring to the final offer upon which the settlement was based, & what I ~~wante~~ want to know is whether it was made with your knowledge and consent ? I tell you distinctly that it was settled behind my back. I do not know the day it was settled.

Mr Wall. Immediately you received the information of the settlement & you interviewed the Under Secretary for Public Works ? Yes, I told him I did not think the matter was settled.

198 Chairman. When you made an offer of £135 per foot to settle this matter, did Mr Lyne tell you that it was of no use to make an offer of that kind, and that he would not submit it to the cabinet ? Yes. He ridiculed the idea of £185 per foot, and said he would not submit such an offer to the cabinet.

He refused to consider it ? Yes.

9 Did you ask Mr Lyne what he thought the Government would 200 pay, and did he say that they were not likely to go over £130 or £140 per foot; do you remember his saying that ? Yes, I do - he did say that.

This took place when you put in your first letter offering to take £185 ? Yes. I may mention that we refused £5000 a year for ~~the wharf~~ Shepherds land

Was not this land resumed at a time when land generally was very high in price ? Yes, it was very high.

Did you at any time offer to keep the ministry in power by the votes of members of the assembly if a settlement were made? No. How could I do such a thing as that?

You at no time endeavoured to influence the votes of any members of the House with the object of getting Mr Lyne or any member of the Government to settle this matter ? -- No. If anything I wished Mr Lyne would go out of office.

Why ? Because I could not get a settlement with him.

Were you under the impression that some other Government would have dealt more favorably with you ? No one dealt more hardly with me than Mr Lyne tried to.

You were under the impression that another Government might look more favorably upon your claim ? Yes, seeing that Mr Mc Millan had offered £175 per foot, and had written a letter saying he was willing to pay that price for the land.

Therefore you thought that another Government might not be so harsh with you ? It was impossible that they could behave worse to us than Mr Lyne did.

You are sure that at no time did you offer to procure votes for the Government ?-How could I secure votes for them. It is nonsense to talk about such a thing.

Did Mr Lyne ask you personally to secure votes ? Never.

If it has been stated that there have been improper proposals either from Mr Lyne to you or from you to Mr Lyne is that statement true ? There never was any improper proposal made either by Mr Lyne or myself.

Either by you to him, or by him to you ? None whatever. I can most positively swear that.

Mr Lees. Is there a lane dividing the two blocks of land belonging to you and your partners ~~about which there is a dispute~~ ? Yes.

What lane is that ? It is a lane running down to the water

from the top of Victoria Street. I do not know the name of it.

15 What is the width of it ? It is about 6 or 7 feet wide - it might be more or it might be less.

16 The properties in dispute have a water frontage, and back up to Victoria St ? Yes..

17 Can you tell us how much land the Government resumed from you. Did they propose to take the whole of it from the water up to Victoria Street ? Yes. You will see that one piece of land adjoins the university land . The next piece of land was Lahiffs . The Government paid so much into court - it was only half the depth of ours, and had only a 30 ft frontage.

18 What is your full depth? I could not say from memory.

19 This block of yours with the 253 feet frontage to the bay has a smaller frontage to Victoria St ? Yes.

20 Is the frontage to Victoria St a good building site ? It is is the very best site for a wool store that you could possibly have & I will tell you why. It has a precipice behind and by building a store you would not have to raise and lower your wool. Hill Clark & Co's store for instance is the worst on the quay , while Flood and Co's is the very best because of the saving of labor in raising and

lowering.

22 Chairman. ~~The~~ You consider the land a good building site because of this cliff behind it ? Yes, it is the very best possible site you could have for a wool store.

Mr Lee.

What tenements are there on the land? Very ~~good~~ good tenements.

What are they ? Sheehy's store and house , a first-class patent slip, and another very good house on the property bought off Mrs French.

With reference to Block No 2 the piece to the north of the lane with the 50 ft frontage. Does the description of the water frontage apply to the narrow frontage ~~with respect to~~ to the tenements ? Look at brown's piece, it is only 17 ft by 15 ft, and lahiff's which is only 30 feet with half ~~the~~ the depth They are absolutely useless for vessels. You could not lay a vessel there. You must have a good strip of land for a vessel to go alongside it.

Are the two disputed pieces of greater depth than any of the pieces about which a settlement has been made ? Number 2 block in my opinion is the best, and is fit to hold a vessel. It is of a greater depth than the pieces ~~about~~ upon which a settlemet has been made.

Do you think that because it excels to that extent that it is therefore ~~of~~ so much more valuable than the other pieces ? It will hold a vessel, and you want about 250 feet to do that.

227 So will Mc Quade's property ? Yes, but there is no back Way to that. How can you get on to Mc Quade's land ?

Q Macleay Street Potts Point makes on to Mc Quade's property does it not ? I do not think so.

~~Mc Quade~~

Is there not a gate at the extreme end of Macleay St ? I do not think you can get on to the land that way.

30 But by resuming you could ~~or neg~~ reach it ? Yes. but not in any other way.

I gather from the printed papers before us that your desire was to effect a settlement with the Government as rapidly as possible, because of the monetary transactions which you wanted to complete ? That is so .

Chairman. You know something of Mc Quade's property The frontage is much wider than the back portion ? Much wider.

I am referring to the portion N° 8 on the plan ? Yes. I consider that McQuade got a better price for his land than we did, although he only got £85 per foot. At one end of it owing to the shape of the land you would see that it goes to a point, he was getting £80 for an inch and so on.

Is the lane between the two blocks which you have referred to wide enough for vehicular traffic ? I do not think it is.

Mr Bavister. Is it not a fact that the depth of Mc Quade's land is as great as the combineddepths of your No 2 block and Gattenhoff's block ? I do not think so..

53 Mr Lees. Mr Mc Quade was paid on the water frontage ?

Yes.

7 And from the shape of the land the first foot of the frontage would not be a foot deep ? It would only be an inch deep. Mr Mc Quade said he would not have accepted the price offered, except that he was very ill indeed and wanted to go to England.

8 Chairman. The valuation by Messrs Mills & Pile, Richardson & Wrench and the Govt Valuator in respect to your land was £175 per foot ? Yes.

9 Was that for the whole of your land ? No; The No 2 block only.

[Mr Bavister] You spoke just now of a part of Mc Quade's frontage being only an inch in depth. Having regard to the whole frontage and depth of Mc Quade's block, is it not a fact that there is a considerably greater area in proportion to the frontage than in the case of either of your two blocks ? I could not swear that - the plans will show you.

Mr Lees. Does not the resumption of the Challis estate block very largely improve the value of your property ? No.

Not by bringing a Government road and wharf up to your boundary ? It would if they were to give me a road through.

3 Mr Cann. What do you consider would be the annual rental value of the whole property with the various tenements ? I can give you some idea. We have three vessels there discharging stone. The [redacted] Government charge is 6d a ton. It means

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2000 tons a week. That would be for Sheehy's piece. Another great advantage in having a wharf of your own is that you can get vessels away so much more quickly. If a vessel loses a trip it means a matter of £60 or £70. I have already said that we were offered £5000 a year for Sheehy's piece.

244 Mr Lees. Was that a private offer ? Yes.

5 Mr Cann. In addition to what you have mentioned there are the tenements occupied for warehouse nd residential purposes to be considered ? Yes.

6 Could you give us an idea of the total annual value of the property ? I could not. Of course if the land is left idle you may say that it would be worth very little, but immediately you make a wharf there it will bring in a first-class income. ~~It is only rendered very valuable b~~

It is rendered valuable by other money being spent upon it ? Yes.

8 Mr O'Sullivan. I presume you have noticed the evidence which has been given by Mr H Kethel and other wharf owners in regard to the value of your property which they state to be about £80 per foot. How do you account for a wharf owner such as Mr Kethel giving that evidence ? Their evidence is obviously wrong, and I can prove it to be so. A great many wharves were sold at about the time you are referring to in Darling Harbour. Henry Hill & Clarks wharf was sold for one, then the Cox and other property was sold at exorbitant prices. We were

Watona Pyrmont

asked £130,000 for the Moore wharf. For a wharf at Pyrmont next to the Sugar Company's wharf they wanted £25,000.

249 Mr Kethel's evidence tends to depreciate the value of your property ? I think it would be advisable for the committee to examine all the wharves at Woolloomooloo Bay, and to see for themselves the land in the vicinity which was sold at that time. I have already referred to a piece of land there for which we were offered £160 a foot, the Standard Paint Co refused £180 a foot, there was no water frontage and it was made land, besides it was only one half the depth of the other property. If that price was offered for their land, surely water frontage is worth considerably more.

250 You have had considerable experience in wharf property, & I want you to tell us how it is, if you can, that Mr Kethel came to put such a low value upon your property ? I could not say.

Do you think he could have taken into account the true value of the position at Woolloomooloo Bay ? I think it is the best position bar the Circular Quay.

Are the Woolloomooloo Bay wharves increasing in importance and value from a shipping point of view ? very much indeed.

There has been a large access of shipping to that part of the harbour during the last 6 or 7 years ? Yes.

From inquiries I made last year in the middle of the wool season I found that they had shipped over 80,000 bales. to say nothing of a good many tons of tallow and so forth.

254 Is it not a fact that the California mail boats have come to Woolloomooloo Bay in recent years ? yes.

5 Do any other steamers come there ? Yes, there were 4 steamers there last week.

6 To what ports do they trade ? They were large wool ships.

11/12

7 How long is it since this trade sprung up at Woolloomooloo Bay ? It is only within the last 6 or 7 years.

8 There was a time, not many years ago I believe, When Woolloomooloo Bay was almost deserted by shipping ? Almost deserted.

About 8 or 9 years ago with the exception of a few coasters Woolloomooloo Bay was little used by shipping ? Very little.

6 Since the completion of the new wharf and other accommodation a large number of ocean going steamers have come to the Bay ? A very large number indeed.

Some of these ocean going steamers , the California mail boat and others , take away wool ? Wool , tallow and hides.

Vessels also come there from Puget Sound and other parts of America ? Yes.

3 All this increase of trade has occurred within the last 6 or 7 years ? Yes.

25

6 And it has tended to give value to the property in the neighbourhood ? A very large value.

5 How far is your property from the place where the California mail steamer comes in ? It is rather difficult to say, but by water, I think it would be about 100 yards.

6 How far do you think it would be round the wharf ? About 150 yards.

7 So that ~~of~~ this land, which Mr Kethel values at only £80 per foot, is really within 100 yards of a wharf where some of the largest steamers which come to our port berth ? Yes.

8 Under those circumstances does £80 per foot seem a fair valuation to put upon the land ? I think it is a very unfair valuation. I think I should receive £200 a foot for the land ~~and~~ although the Govt bought it for £145.

Mr Knox one of the trustees sold the Challis estate land to the Government for £192 per foot.

9 That land adjoins yours ? Yes.

10 The gentleman to whom you refer, who is one of the trustees ~~of~~ for the university, in giving evidence valued your property at £50 per foot ? Yes.

Rumo nothing

1 How do you account for that ? I think he ~~committed wilful~~ ~~and corrupt perjury - he must have done so.~~ above the rest of him

2 Mr Iess. The fact of the Challis estate block being resumed would make your land valuable ? I have already said that it would do so if we are given a road.

34

29? Your land comes up to the quarry ? Yes.

Do you think that the fact of that quarry being on the Victoria St side operated upon the mind of Mr Kethel and other gentlemen so that it induced them to undervalue your property ? I could not answer that question.

5 Do you think that the circumstance would weigh with them that there would be no approach to the property from Victoria St except for the purposes of a wool store ? I could not say that.

6 Is it not a likely thing to operate upon the minds of these gentlemen, who might not consider the erection of a wool store? I think the cliff there makes the land more valuable, but another man might think that it would make it less valuable.

7 Chairman. Mr McCredie an architect values your land at £208 per foot ? Yes.

8 One of the reasons he valued it at £208 was that he thought it suitable for store purposes ? I believe he gave the Government a valuation and plans showing what could be done with the land, and what interest, it would produce.

9 By whom was he employed ? By the Government I suppose If you ask me my candid opinion I believe he was employed by the Crown Solicitor.

28 Mr Piddington. What did you originally give for this property when you purchased it ? We bought it in 3 or 9 different lots. Some of it ~~was~~ bought of boys who had just come of age, ~~and some of girls in similar circumstances~~. I think we gave ~~over~~ old Mrs Peasley £2500 for her life interest. There is documentary evidence of all these facts, and it would be much better for you to obtain them from the documents than to refer to me in the matter

29 Mr Bavister. If you turn to the parliamentary papers you will see on page 23 a list of valuations for the plaintiff. Among the names given is that of ~~Mr~~ M'Credie civil engineer. Were these persons employed by you or in your interest to give these valuations ? I think Mr M'Credie was employed by the Government when he gave the valuation of £208 per foot. When he was afterwards examined in the court he appears to have valued the land at £200 per foot.

30 Mr O'Sullivan. Who called him as a witness ? We did I think.

31 Mr Bavister. With regard to the natural formation of the land, You have said that there is a very steep cliff between Victoria Street and the water frontage ? Yes.

32 Can you give us an idea as to how far back the face of the cliff is from the Victoria Street frontage ? I think it abuts close upon Victoria Street. I think the land is formed exactly as the a man would want it for the purpose of a store. If you consider the position of some of the

stores at Circular Quay, you will get a first-class illustration of the advantage of the cliff in this case.

38 Mr F. Clarke. The closer up to the street the cliff is the better ? Yes.

6 Mr Lees. What would be a fair value for the tenements on your property - the two disputed pieces ? On No 2 block I should think £2000 ~~or £2500~~ or £2500 for the tehements & slip.

7 What would be the annual value ? About £250 a year.

8 What is the value of the tenement on the other block ? Say £5 a week.

9 Were there any improvements upon the Challis block ? No. but there might be a boat there. Been in quite here.

90 Or upon Mc Quade's property ? I think there was a boat shed.

91 MR O'Sullivan. Do you know an old boatbuilder named Joe Donnelly ? Yes.

92 Has he not a shed there ? Yes.

93 From whom does he rent it ? From us.

94 How much does he give you ? 30s a week.

95 What is the size of the shed ? It might be 30 feet wide, but it is rather hard to say.

96 Would that be a fair rental for the accommodation there? I should say so. Of course you must remember that the land is now unimproved. Directly you put stores and wharves

there you at once get a large return.

Mr Cann. You said just now that the tenements on one of your blocks would bring in about £5 a week and on the other block the buildings would be worth £250 a year ? Yes.

What do you estimate the wharfage at ? ? have already said that we refused for Sheehy's piece £3000 a year.

As a business man, what do you think would be a fair rental to pay for the whole frontage ? Say £10,000 a year - it might be more. It depends on the accommodation and the nature of it.

Upper Lusk
from Mr Charlie

27-2-95

GOVERNMENT PRINTING OFFICE
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Reserved

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

On

CLAIMS FOR RESUMPTION OF LAND WOOLLOOMOOLOO BAY

Wednesday, December 5, 1894.

Present -

Mr Bavister, Mr O'Sullivan,

Mr Wall, Mr Piddington,

Mr Lee, Mr F. Clarke,

Mr Molesworth, Mr Lees,

Mr James Morgan.

James Morgan, Esq, in the Chair.

354

Joseph Barling, called in, sworn and examined.

/ Chairman. You are Under Secretary for Public Works ? Yes.

2 You have some knowledge of the resumption of land at Woolloomooloo Bay ? Yes.

3 Will you kindly inform the committee, as nearly as you possibly can, the circumstances which arose to cause these resumptions ~~to take place~~ ? ? The circumstances which brought about the resumptions of this land will be found detailed in a letter dated 30th ~~September~~ December 1889 written to me by the Under Secretary for Finance and Trade the late Mr Fagan. The letter was in these terms "Sir, I have the honor by direction of the ~~Col~~ Colonial Treasurer to hand you original of a minute which passed the cabinet on the 23rd ~~inst~~ instant in reference to the resumption of land at Woolloomooloo Bay for providing additional wharf accommodation at that place. I beg also to hand

you a plan of the property to be resumed , description of which is attached to the minute. I have the honor to be , sir, Your obedient servant G. Eagar. " The Cabinet Minute was endorsed by Sir Henry Parkes and initialledby Mr Mr Mc Millan, and it is in these terms "In view of the increasing necessity for both present and future wharf accommodation and of the fact that wharf extension is now most readily obtainable in connection with Cowper Wharf extending from the eastern side of Woolloomooloo Bay towards Victoria Street, and having regard to the desirability of acquiring the properties named in the attached valuation before any considerable rise on present values may be expected , -- I beg to recommend to the favorable consideration of the Cabinet, that the properties commended may be resumedfor wharf purposes, under the provisions of the "Lands for Public Purposes Acquisition Act." And as provision is made by the Loan Act 53 Vic No 23 to the xtent of £200,000, for "for resumption of land for construction of wharves" -- of which sum £150,000 is estimated to be available, I further recommend that the Honorable the Secretary for Public Works be authorized to obtain from His Excellency the Governor and the Executive Council, the needful authority to permit of the issue of the required proclamation forthwith. Attached is the valuation by Mr J B Thompson, land Valuer for the Department of Public works - who states the properties proposed to be resumed to be worth £112,515. The description of the Surveyors, Messrs Atchison and Schleicher, and a map of the properties also accompany this Minute." I may mention that Mr Mc Millan in this minute draws attention to the fact that a sum of money was available for the resumption of land for this purpose and I will hand to the committee the Loan Act in which the amount is contained

2

It was assented to on the 10th October 1889 On the 3rd of that month inexplaining the matter to Parliament Mr Mc Millan said - I quote from the Hansard report "Hon members are aware that in the lands for Public Purposes Acquisition Act power is given to resume land under certain conditions, but it is necessary to have command of a vote for the purpose in order to be able to resume. It simply amounts to this Is it the intention of that Act that the Governor in his discretion under certain circumstances of public importance and necessity shall have power to resume land under cover of a vote without coming directly to the House, that is to say taking the responsibility as a matter of urgent public necessity and dealing with the transaction which of necessity if it is to be done in the public interest must also be done expeditiously and to a certain extent secretly. It seems to me that if a vote of this kind is not passed to be at the demand of the Govt the land for Public purposes Acquisition Act may be blotted out altogether . If whenever a resumptn takes place no matter whether it may be necessary to make such resumption in the recess or when the House is engaged in business of great importance, and for instance as a land bill which cannot be interrupted - if it was necessary that before the executive takes upon itself the responsibility of resuming land under that act it must take a vote in parliament and so spread its intention broadcast through the community and allow land grabbers and land speculators to run riot in connection with the properties concerned - then it seems to me that practically the Act may be as well wiped out for all ordinary purposes. We ask the House to allow £200,000 to rep! to be placed on the loan estimate for the resumption under conditions for which the Govt of the day will be responsible of public wharves fm time to time as circes may demand. Of course no govt would attempt to carry out

the intentions of the act unless it was willing to take the responsiblity for its actions. I would also like to point out that in this matter of resumption the position is not the same as in the case of the Government purchasing land from private individuals. The land is resumed. It is only paid for according to its real value by a process of arbitration if necessary , and it is surrounded by every possible safeguard & no suspicion can attach to the transaction. At the very outside if the Govt should be led to retrace its steps the land resumed is always worth the money given under the safeguards of the lands for Public Purposes Acquisition Act. It seems to me that unless the Government is not to be trusted at all a vote like this is a fair and reqsonable one in view of the Act now in existence" Accordingly the land was resumed under the lands for Public Purposes Acquisition Act, although the resumption did not take place until the 4th February 1890. The usual Gazette notice was inserted. Subsequently further votes were taken. One of these was for £ 90,000 and another for £24,650, the latter vote was taken a few weeks ago in a temporary supply bill in anticipation of loans

4 These amounts all bore upon the Woolloomooloo Bay resumptions ? The money was voted for land resumption for wharfage purposes. I may mention that the money was used for other purposes besides the woolloomooloo Bay resumption. For instance there was the Erskine St resumption.

5 Mr Mc Millan mentioned in his speech that the vote applied to the Erskine St & Woolloomooloo Bay resumptions?

4

Lockhart Page

I only read the first part of his speech, but no doubt that was the intention.

6 Mr Wall. Can you specify the different areas of land covered by the valuation ? Yes.. I have Mr Thompson's report with me, but that may be looked upon as a preliminary valuation - it was the first valuation made.

7 The Chairman. Sometime after that one of these properties was paid for ? I can give you the date of payment for the various properties as faras they have gone.. Of course I cannot give you the actual date of payment because it was made by the Treasury, but I can give you the dates upon which the vouchers were forwarded to the Treasury, ~~For instance~~ In the case of the Challis estate the voucher was sent to the Treasury on the ~~28th December~~ 28th Feb 1891 1892. In ~~the case~~ that of R R Ferry's land on the 10th December 1892; In the case of the Hill estate one voucher was sent on the ~~First~~ 15th June 1894; and another on the 13th June 1894. In Lahee's case the voucher was sent on the 24th October 1892 In Catley's case on the 2nd September 1893, In the case of J A Brown on the 3rd May 1893 In Gattenhoff's case on the 2nd March 1893 In Mc Quade's case on the 9th of August ~~1894~~ 1894. There are two cases still unsettled.

8 Mr Lee. You have handed in the preliminry valuations of Mr Thompson. Upon what valuations were these amounts paid ? The Challis estate was paid on the valuation of Messrs Mills, ~~Greig~~ Griggs and Thompson

Appendix

54

The rate per foot - that is exclusive of interest which follows as a matter of course, and costs was £168 10s 10d

The total amt paid for the land was £45,000, the claim being ~~£49,500~~ £49,500. It had a frontage to the bay of 267 feet. That land is marked No 1 on the plan which I now hand in for the information of the committee. The next portion of land marked No 2 on my plan is R R Terry's It has a frontage of 285 feet to the street. The amount paid for the land was £8,800 or £30 17s 6d per foot . This includes some buildings. No separate amt was given by the valuator for them. The valuation in that case was by Messrs Mills, Grigg and Thompson. The next portion shown as No 3 on my plan is the property of Hill & others . The frontage is 426.368 feet The claim was £12,850 and the amount paid was £61,862 10s 2d; it ran out to £145 a foot.. That amount was arrived at by cabinet decision.

9 Was there no valuation to go upon ? The valuation was for a frontage of 303 ft 7½ inches to Woolloomooloo Bay at £175 per foot, making a total of £53,134 7s 6d forced sale at 10 per cent £5,313 8s 9d, total £58,447 16s 3d

That valuation was signed by J.B. Thompson, Richardson and Wrench and Mills Pile and Wilson. That was sent with all the other valuations to the Colonial Treasurer Mr Mc Millan, and he has written on the margin these words " This seems to be a reasonable valuation". I may mention that I only discovered yesterday on looking through the papers that this minute note by Mr Mc Millan was not printed with them. I cannot account for it, but the clerk in copying the papers evidently omitted it.

11 Then in that case Mr Mc Millan approved of the payment to Hill and others of £175 per foot ? He cannot be said to

Watson Impson

have actually approved of it, because the land was resumed under the lands for Public Purposes Acquisition Act, which is administered by the Secretary for Public Works. In asmuch however as the works department ~~is~~ was set in motion by the Treasury it was considered right that the Treasurer should have a say in the matter, consequently the paper was sent to the Treasury and was returned with the minute I have just read upon it.

11 F That is only in respect to one portion of the Hill property ? The property belonging to ~~George~~ Hill & others.

12 The land adjoining the Challis estate ? Yes.. The next case is the property of George Hill with 112 feet frontage to the Bay. The claim was £25,080. In the first place ~~the owner~~ we only acknowledged the claim of Mr Hill to the small piece of land bounded by the lane, and colored yellow on the large plan I have exhibited. This was originally valued at £15 per foot as having 130 feet frontage to the lane only.

p. 13

13 Chairman. You afterwards found that the owner of this property hada right to a greater area of land than ~~the~~ was valued ? Yes. ~~I may mention that~~ the original valuation was that of Messrs Richardson and Wreaph Messrs Mills and Pile and Wilson ~~th~~ and mr J B Thompson. The land was valued at £2,395. The amount is made up as follows ~ 130 frontage to the lane at £15 per foot, £1950, buildings £250, forced sale at 10 per cent £195 , total £2,395.

14 How did you come to include the larger area of land ? If you look at page 21 of the printedpapers which have been laid upon the table you will find a latter addressed by the Crown Solicitor Mr F . A. Smith to the Under Secretary for public works . It is dated 30th May 1893, and is as follows :—

7

I wrote upon that "Immediate. Will the Under Secretary for lands kindly make a special matter of this which he will see is one of great urgency" Then the lands department said "The purchase ~~was~~ money was paid in Hilly's case, and it was approved ~~as~~ a deed of grant would issue provided ~~both~~ ~~were~~ shown to the Crown Solicitor, and the reclamation is satisfactorily completed. Perhaps these papers should now be referred to the Works dept"

The papers were sent to the land valuer for other informatn needed, and he said "I have ascertained that the purchase money for 1 rood 9 perches was paid into the Treasury 24.7.78"

Finally Mr Lyne wrote "Let Mr Kirkpatrick value" and the matter was accordingly sent to Mr Kirkpatrick.

Sir,

I have the honor to return herewith the papers in connection with this matter, and to state that since my report of May, 1890, on the notice of claim sent in, I have received a communication from Mr. Hourigan (acting on Mr. Hill's behalf, in which he states that with regard to the land between the high water-mark and the limit line of reclamation—as to which I reported no title had been shown—that an application to reclaim the land in question was made many years ago by the late Mr. Hilly, and that he (Mr. Hourigan) was informed that on some of the old maps it is incorrectly noted that such application had lapsed; that although the land was conveyed to his client by certain metes and bounds which did not, in absolute description, cover the land so reclaimed, nevertheless buildings were erected upon such land by the vendors a considerable time before the said purchase, and his client was put in possession of them; that moreover, under the general words in the conveyance, it must be taken that all the fruits, incidents, and accessories relating to the land in question (both at law and in equity) passed to his client; that on investigating this matter it was ascertained that in June, 1878, the right to reclaim was formally admitted, and the late Mr. Hilly was informed that the purchase money in respect of that land should be paid into the Treasury within a month from that date; that the money was accordingly paid into the Treasury on the 24th July, 1878, but it would appear that no further steps were taken in regard to the issue of the grant; that in 1891 application was made to the Minister calling on him to issue the said grant, and on the 3rd October last the Under Secretary wrote a letter stating that on proof of title to adjoining freehold action would be taken with a view to the issue of the grant.

I think that if the statements contained in Mr. Hourigan's communication are correct, as to which inquiries should be made both at the Lands Department and at the Treasury, there can be no doubt that the late Mr. Hilly was entitled to a deed of grant in respect of the reclaimed land, and such right would, I think, have passed to the purchasers from him, and would apparently have been vested in Mr. Hill at the date of resumption.

Should it appear that Mr. Hill was entitled to the grant, I think a revaluation should be made on the assumption that he was so entitled—that is, that he was entitled to the land lying between the lane in continuation of Victoria-street and the limit line of reclamation fronting Woolloomooloo Bay.

I have, &c.,

ERNEST A. SMITH,

Crown Solicitor.

15 Mr Molesworth. Can you tell us why the matter was sent to Mr Kirkpatrick for valuation as MrThompson had made a valuation previously ? It would appear that Mr Thompson had the valuation in hand ? Yes, but Mr Lyne had great confidence in Mr Kirkpatric and thought it desirable, I presume, in a matter of such great importance, to have as much advice as he could on the subject.

16 Chairman. What did Mr Kirkpatrick value the land at ? Mr Kirkpatrick I see fm the papers valued the block of 112 feet separately, but I have not the papers before me, so that for the present I cannot answer that part of the question However he valued both the 112 feet block and the 123 feet block together making a total of 235 feet 6 inches. The blocks are numbered 5 and 6 on the lithograph plan in the parliamentary papers. He valued that land at £131 per foot, or £30,850 10s, buildings and sheds £1200, forced sale at 10 per cent £3205 2s total £35,255 12s.

17 The original claim for that land was how much ? The original claim for the 112 feet was £25,080.

18 Mr Lee. What was the claim for the 123 feet ? The claim for that was £33,650.

19 How much would that be per foot ? £273, per foot

20 What was the claim for the two blocks of 112 feet and 123 feet amount to ? £58,730.

9

27 And Mr Kirkpatrick's valuation in respect of those two areas was £35,255 12s ? Yes.

The next case is that of Lahiff No 5 ~~in my~~ on my plan. The property had a frontage of 30 feet to the bay. The claim was £8,250, the amount paid for the land was £4500, the rate per foot being £150. This property was valued by Messrs Richardson and Wrench, MessrsMills Pile & Wilson and Mr J B Thompson.

2 Who authorised the payment of the amount ? Mr Mc Millan.

The next is ~~Gattenhoff's~~ Catley's leasehold property. The amount paid was £175 ~~per foot.~~ The next property is J A Browns No 6 upon my plan having a frontage of 15 feet to the bay, the claim was £3850 and the amount paid for the land was £2200 which works out at £146, 13s 4d per foot.

3 Mr O'Sullivan. Who authorised the payment in that case? Mr Mc Millan.

4 The chairman. Mr Brown refused to take the sum offered & went into court ? Yes. and he obtained a verdict which came out at £146 13s 4d per foot inclusive of improvements

The next property is Gattenhoffs No 7 upon my plan. It had a frontage of 17 feet 4 ½ inches to the street. The amount paid for the land was £1250 or £71 18s 10d per foot. I believe there are some buildings on the land, but no separate amount was given for them by the valuators.

5 Mr Lee. Who authorised the payment of that amount ? It was authorised by Mr Mc Millan and subsequently by Mr

Bruce Smith The next property is Mc Quades with a frontage of 504 ft to the bay The amount paid was £42,925 or £85 3s 4d per foot.

26 Who authorised the payment in McQuades case ? Mr Lyne.

I may mention that there are two unsettled claims that of Mr Elois and athat of Mr H C Dangar.

27 Chairman. Was Gattenhoff's a water frontage property ? No, it is ~~more to the~~ nearly to the street. I was about to say that the reason Elois claim was unsettled is this He will not accept the offer , because he says we do not admit any title to the water frontage. He says also ~~and~~ I speak subject to the correction that he can prove his right to the water frontage.

28 How is it that the claim in the case of Mc Quade's property was settled at a much lower rate than the claim for the other water frontages ? It is not so valuable. Excepting a small lane which is almost inaccessible, I believe, there is no access to the property so far as the Government are concerned. Mc Quade of course has accesss.

29 Mr Lees. Mc Quade's property one would think would have deeper water ? I have not a plan showing that.

p.u.

30 Chairman. Is there no other reason for the lower rate apart from the want of access. Is not the land very narrow at one end ? Yes, it runs out to a point.

31 Mr O'Sullivan. Mc Quade's property goes towards the end of Potts Point ? Yes.

//

37 Chairman. Mc Quade receivedthe smallest price of any of the claimants having land fronting the water ? Yes.

38 The next smallest price to that was paid to whom ? The next smallest price so far as water frontage is concerned was paid ~~by the~~ for the Hill property.

39 Mr Lee. You say that Mr Lyne authorised the payment in Mc Quade's case ? Yes.

40 On wht date ? The voucher was sent to the Treasury on the 9th August 1894.

41 Is it not the case that there is access to McQuade's property by a lane ? There is accessby a lane as I have pointed out but but I believe the lane is almost inaccessible.

42 Mr O'Sullivan. As far as one can gather fm the plan and the list given on page 13 of the Parliamentary papers showing the valuation and the price per foot, the nearer the land was to the middle of Woolloomooloo Bay and to the population the higher the price it brought ? Yes

43 Would not that therefore explain the lower price given for Mc Quades property which runs out towards the point ? I should think it would to some extent, but the chief reason was that the property had not the access which the other properties had.

44 Chairman. All the other properties had access ? Yes. But I may mention that in the case of the 112 feet block of Hills property the access was not so good as in the other cases.

45 Mr Bavister. Is it not a fact that the depth of Mc Quades

Mr Fisher Chairman

property is as great as any of the others, and that provision could have been made for a lane if so desired ? Yes.

47 Mr Lee. Mc Quade ~~the owners~~ accepted the amount offered ? Yes.

Was there any reason why he should accept it ? I had nothing to do with negotiations. The only reason I can see is that given by Mr Lyne. Speaking of Mc Quade's land he says "I settled this claim irrespective of the Crown law department with Mr Mc Quade mainly in consequence of his desire to have the matter completed before leaving the colony through ill health (he is since dead)" I know for a fact that Mr Mc Quade desired to have the matter settled. He told me so himself. I saw him several times, & I remember his saying "I want to go home, & I want to get this matter settled up." or words to that effect. before I leave

Mr

With the exception of the claim of Hill & others of J A Brown and of George Hill the claims in respect of these properties were settled privately ? Yes.

Mr Brown went to law and obtained a verdict of £100 per foot ? Yes? but the improvements were included in the amount paid. The claims of Hill & others, and of George Hill in respect of two distinct properties were the subject of actions in the Supreme court some time ago ? Yes.

46.

Q. Extract from the Journals of the Council

In which they obtained a verdict for the sum of £200 a foot? Yes.

Will you go on to tell the committee what action was taken after that verdict ? The information I had as to that is, of

13

course not complete, because the matter was dealt with by the Minister himself in conjunction with the cabinet. Necessarily therefore I do not know what transpired in connection with the actual settlement. The papers disclose ~~the whole circumstances.~~ that A new trial was moved for and granted on the ground of misdirection of the judge as to the right to deepen the frontage. The judge took it for granted that Mr Hill would have the right to deepen

48 Chairman. AHas the right o to deepen ~~the water frontage of~~ water frontage property ever been refused ? As far as I am aware it has always been granted. Sometimes they have not been able to accomplish it themselves, and have come to us for dredges at a time when we have not been able to give them dredges.

49 You hire them dredges for the purpose ? Yes. There is one exception. If we find that the water frontage has been decreased by reason of the deposition of silt , then N to that extent we deepen free . But so far as deepening the natural bottom is concerned we provide the dredges and the owners pay us so much a day.

50 Mr Hulbert ^ If that is so then the trustees of the Challis estate - Hill and others, ~~Lahiff~~ lahiff, George Hill, Mc Quade and the others had a right to deepen by custom ? I would not say that they had a right to deepen. I do not think that that could be admitted.

N But putting it as a matter of custom. It has been the custom to grant the ~~p~~ right to deepen ? Yes..

5 And in some cases good work has actually been done by depening the department allowing the dredges free up to a certain point 6 Only as regards the removal of silt deposited by the Sewers

7 Does this not all go to show that a right has been established by custom and that it was somewhat unique brought to refuse it to Hill and Co as after granting it to others ? I object to the word"right" being used. I would prefer to use the word practice. I do not see any reason why permission should not be granted in Hills case.

If that was the ground upon which a new trial was applied for was it not insecure ground for the Government to go upon? I should not like to pronounce any opinion on that point.

Mr Lees. I see nothing about the depth to these properties. Take Gattenhoff's case for instance ? We have taken the whole of his land. In the case of Flois we only admit his title to the bit colored green, but he contends that his right goes down to the water frontage.

Then you do not know how much of Flois' land you propose to resume, you mention the frontage but not the depth ? On the southern side there is a depth of 114 links, on the northern side of 60 links. In Brougham St there is a frontage of 78.9 links and a water frontage of 100 links.

Mr Lee Will you tell the committee the exact position of the land which was the subject of action by Hill and Co ? 303 feet.

15-

58 You have no doubt about that ? No.

60 There was no settlement or agreement for settlement with Hill in respect to any portion of the land prior to the Action? No..

60 He obtained a verdict of £200 per foot for the land? Yes

1 What was your valuation for the land per foot ? The original valuation was at the rate of £175 per foot with 10 per cent for forced sale.

2 13 There was also another area resumed from him of 235 feet, which was not the subject of an action; what was that valued at ? At the rate of £131 per foot. 10 per cent has to be added for forced sale and £1200 for building and shed.

34 Could you tell the committee when the final payment to Hill & Co was authorised ? Yes. I will put in the original cabinet minute which reads thus ~~to this effect~~ "Cabinet approves of settling the claim of the Messrs Hill for £145 sterling per foot - the actual measurement to be adjusted - with interest at the rate of 6 per cent from date of resumption, each party paying their own costs. G. R.D. 6.3.94." On the 7th this paper was givn to me by the Minister Mr Lyne. I will state what took place as far as I can remember it. Mr Lyne gave me the paper, and I said to him "I presume that this will now have to go to the Crown Solicitor for settlement?" Mr Lyne, who as far as I can recollect was in somewht of a hurry at the time said "No" I then said to him "It seems to me that if you do not wish it to be done in that way , the safest

plan is for the parties concerned to accept on the original paper". I saw at once that if a letter was written by me possibly some mistake might occur in the exact wording of the cabinet decision. If the parties accepted in the way I indicated, I thought there could be no possible mistake. Mr Lyne approved of that being done, and the solicitors for Messrs Hill and Co, that is Messrs Stephen Jacques and Stephen in the person of Mr Cecil Cowper in my office, and in the presence of ~~the~~ his chief clerk ~~of my office~~ wrote this acceptance "Having read the above minute of Sir George Dibbs we hereby accept the above terms on our clients' behalf" One voucher as I have explained was sent to the Treasury on the 1st June 1894, and the second was sent on the 13th June 1894. With reference to the practice of settling claims under reference to the Crown Solicitor does the practice adopted in this instance prevail in the works department ? No, I do not think it does prevail. I ~~un~~ unhesitatingly say that, as a rule, I do not think it is a good practice. But I can quite see this ~~that~~ that there are certain cases in which it would never do to ~~have a mistake~~ find a lawsuit and it take place where in the public interest another course ~~might be adopted~~ is advisable in order to preclude ~~that~~ mistake. I was not at first quite sure of Mr Lyne's reason for doing the thing in this way, but I saw it immediately afterwards. He wished to settle the question of costs. ~~he wished~~ So as to prevent any question arising as to the ~~payment of costs.~~ terms of the Settlement on the subject

64 65 Chairman. Did not something take place with regard to a letter? Mr Hill came to me, I am not quite sure whether Mr Belisario was with him or not, but my chief clerk was present. He asked me to give him a letter containing the decision of the cabinet. I did not refuse to give it to him, but I said I certainly

17

could not give him a letter of any kind unless I first got the sanction of the Minister to do it. I remember ~~that~~ he went out of the room in a great ~~fit~~ using expressions which were not very complimentary to Mr Lyne. I forget exactly what he said, but I am sure Mr Lyne would not consider them very complimentary ~~remarks~~ extremes. I ~~then~~ afterwards informed Mr Lyne, and he said I could inform Mr Hill in certain terms upon which I wrote this draft letter under date of 7 March 1894. "Dear Sir, In reply to your personal inquiry respecting the matter of your claim for land resumed at Woolloomooloo Bay, I have to inform you that the matter has been settled by the cabinet on the terms disclosed in the papers of which you are aware" I took good care not to quote the terms for the reason I ~~had~~ before stated.

6566 Mr Lee. The terms were assented to by his solicitors ?

Yes. I was so careful about the matter that I did not even ~~get~~ give him that letter without showing it to Mr Lyne and getting his sanction to the letter being sent. Mr Lyne on reading the letter inserted these words which you will see in pencil after the word "cabinet" "..." and agreed to by your solicitors"

Mr Molesworth. The letter of Mr Hill's solicitors in which they notify that they are prepared to accept £145 per foot is the letter upon which the cabinet minute was written. I should like to know whether that letter from the solicitors came from them freely or whether it was the result from some communicatn verbal or otherwise which took place between the department and Mr Hill ? That I could not say. Mr Lyne

will be able to explain all that.

67 When you received this cabinet minute did you suggest its immediate reference to the Crown Solicitor ? As far as I can remember I said "I suppose this ought to be sent to the Crown solicitor for settlement"

68 That is the usual practice in such cases ? Yes.

69 70 Why was it not carried out in this instance ? Mr Lyne, although I did not know it at the moment, I saw it almost directly afterwards, was afraid that unless the matter was settled at once the question of cost would be revived ~~again.~~ Of course in doing the thing in this way we completely stopped any further claim or dispute. Mr Lyne subsequently explained in the House that the Cabinet instructed him to have the matter settled up somewhat in that way.

70 The settlement took place outside the Crown Solicitor ? Yes, the papers were signed in my office.

71 Without reference to the Crown solicitor ? Yes. The Crown solicitor was told by telephone I think a day or two before that a settlement was come to.

72 And this was done without the Crown solicitors knowledge? In the papers you will find a letter from the Crown Solicitor to me under date of 5th March ~~1893.~~ 1894 in which he says "Sir, I have the honor to inform you that I received your message by telephone this morning to the effect that this action had been settled, and I have accordingly ~~with~~ held &c"

You will see therefore that the Crown Solicitor knew all about it.

73 You say that the Crown solicitor received intimation of the settlement on the 5th March, but I see that the cabinet minute is dated 6th March ? Mr Lyne, as far as I can remember, told me that the cabinet decision was not in writing. Seeing the omission, he went to Sir George Dibbs and got it written. I think that is the explanation of the discrepancy in the dates.

74 But the official document bears date the 6th March ? I necessarily have no knowledge of what was done in cabinet but as far as I can remember the explanation I have given you is the correct one. Mr Lyne toldme that the cabinet had decided to settle upon the terms I have indicated & I then telephoned to the Crown Solicti Solicitor on the 5th March. Mr Lyne for greater safety thought it better to have the terms in writing, and he therefore went to Sir George Dibbs and got the minute written.

75 Chairman. Did Mr Lyne give any instructions as to this document - that it was not to go out of the office until it had been signed by the solicitors ? I forget exactly what he said, but no one would dream of allowing such a document to go out of the office.

76 Is it usual for a prime minister to sign a cabinet minute on any other date, beside that on which the decision is arrived at.? Can we ascertain the date upon which this minute was passed

by the Cabinet ? I imagine that it must have been on the 5th March. I cannot say what took place in the cabinet. No one but a cabinet Minister would know. I can give no other information on the point beyond that which I have already given. The discrepancy which you suggest in the dates does not present itself to my mind as anything very remarkable, because without being able to quote particular cases, I am sure I could discover cases where the cabinet has decided matters without any writing whatever, and where subsequently the minister of the department has gone to the prime minister and has requested him to put the ~~minute~~ decision in writing. I have no special case of that kind in my mind at the present moment, but still I think there have been such cases.

p. 6

78 Mr O'Sullivan. Are you aware that no minutes or records are kept of cabinet proceedings ? I do not think that I can do better than refer you to lord Macaulay who in his History of England puts it conclusively that a cabinet is a body ~~is~~ not recognised in any way by the law, which keeps no record of its proceedings and which is a thing entirely outside the constitution.

That being so there could not possibly be any record of cabinet procesdings and that will explain the dating of this document on a subsequent day ? I think that is the case . I do not think the date of the minute purports to be the date on which the cabinet decision wasarrived at. I have known instances where the decision of the cabinet has not been signed by the premier at all, but where theMinister has simply said

"The Cabinet has decided so-and-so". That is the only authority I want. I have no reason to inquire outside of my Minister. In other cases my Minister has written on papers "The cabinet has decided so-and-so". Sometimes the prime minister ~~would~~ signs the minute at the time of the cabinet meeting and sometimes he signs it afterwards.

79 So far as you can gather from this document it is an intimation from Sir George Dibbs that the cabinet did arrive at that decision on a previous date ? It must have been so, because my telephone message to the Crown Solicitor was on the 5th March, and the minute was on the 6th March - it must therefore refer to a previous date.

So Mr Rees. Mr E A Smith the Crown Solicitor said in his letter to the Attorney General that this is not the first case in your department in which settlements have been arrived at in this way ? Yes, I think he refers to the case of Rochester.

1 Do you know that case ? I am well aware of it.

2 Was it so settled ? It was not exactly settled in that case because an officer of the department was sent up to the Crown Solicitor telling him that the Minister had settled the case. It was not a cabinet case at all. The case was quite different in this respect. It was the settlement of an ordinary contract claim. There was no difficulty whatever in our settling the claim without reference to the Crown Solicitor

although it had been to him. Cases in which land is concernad must go to the Crown Solicitor, because it requires legal action to complete the discharge of conveyance to the Crown.

83 Have you any documents showing thevarious depths of these properties at Woolloomooloo Bay and the nature of the improvements upon the land ? The various depths are shown upon the plan I have put in, and if you wish it to be done I will have all the improvements described. You will admit I

84 Q. suppose that in the resumption of land the value is regulated very much by the depth ? Depth and of course position.

5 I think you will admit that if you resume one half of any mans property, and you put a good government wharf or road in front of the half left there is some improvement in the value of that half ? Yes.

Of course the owner is deprived of his water frontage, but he has a good solid commercial property in front of him ? Yes.

Some of these properties seem to have had valuable tenements on them. That does not seem to have been set forth ? Quite so.

Take the case of Mc Quade 's property I know the whole of the land. The frontage is nothing but the natural shore and there was a slight improvement in the shape of a rustic road ? Yes.

89 But as you get nearer to the main cove and come nearer to the buildings, the wharves , sheds and houses , there is a great difference, and if all this is set out before us

shall probably be able to see where the discrepancy in value comes in ? Yes. I will have the improvements run out.

Chairman. Mr Hill waited upon you and ~~solicitor~~ upon many occasions ? Yes.

Was this done by the will of the Minister. Did he appear willing at all times to see Mr Hill ? I do not think that I was ever present at an interview between Mr Hill & Mr Lyne as to any settlement in this matter. But I have been present in the room when Mr Hill has been announced, and I know that Mr Lyne ~~exp~~ expressd himself in such a way as to lead ~~led~~ me to think that he felt harassed and bothered by Mr Hill continually coming to him. He may have been seeing him oftener than I know of, but I know he was there very often. At certain times he would pretty well haunt the office.

What time elapsed between the resmption of Hill's land and the several payments ? Th Gazette notice was dated 4th February 1890 and the vouchers were sent to the Treasury on the 1st June 1894, and on the 13th June 1894.

Mr Molesworth. Under whose instructions did you send the telephone message to the crown solicitor on the 5th March ? Perhaps I had better explain that the case was set down for trial and it had to be withdrawn from the list because the trials were coming on almost immediately. It was necessary that the crown solicitor should know of the settlement at once so that he might withdraw the case. ~~I also~~

I should like to know how it was that you sent the telephone message to the Crown Solicitor intimating that the case

Graubath Ferguson

was settled on the 5th March, whereas according to the cabinet minute it was not settled before the 6th March ? I do not think there is much difficulty in explaining that. I am perfectly certain of this that the message was sent subsequent to the cabinet decision. The matter may have been settled in cabinet without any papers at all. As throwing some side light upon the matter I may mention that I remember although I cannot fix the date, that Sir George Dibbs sent to me in reference to the matter . The reason that he sent for me was that Mr lyne was out at the time. I remember his saying "Tell Mr lyne that Mr Hill ~~will~~ must come to a decision at once No further amount will be allowed him" I gathered from that that Mr Hill was doing his utmost to induce the cabinet to give a larger sum. When Mr lyne came in I gave him Sir George Dibbs 's message. I mention that to show that ~~the~~ from incidents which came before me it must have been a matter for cabinet discussion ~~a long~~ some time before ~~then~~ .

95 Chairman. As a matter of fact the cabinet meeting was held on the 5th March ? I cannot say for certain.

Mr O'Sullivan. Is there not on page 36 of the parliamentary papers a letter from Mr lyne in which he says that the Cabinet decided Hills case on the 15th February ? I am not able to say one way or the other whether that is so.

You will see that later on the Attorney general says "Neither have I forgotten that a decision of the cabinet was earlier in date than the letter of the Crown Solicitor - of the 19th February - or my minute thereon" It would seem therefore that the decision must have been arrived at on the 15th

21-

or at all events ~~on~~t before the 19th ? Yes. Judging from what Sir George Dibbs said to me I gathered that the case was settled & that Mr Hill knw of the settlement and that he was doing his best to get a larger amount. I think it is a very fair supposition on my part that the premier and other members of the cabinet had been approached with ~~the~~ view to obtaining better terms than were embodied intheir decision.

99 Chairman. During the whole course of the proceedings in connection with these cases have you observed, or do you know of any act of the Minister Mr Lyne which could be looked upon as being of a doubtful nature. What I mean is are you aware of any inducement being held out to him to bring this case to a close ? So far as I am aware I know of nothing of the kind. As I have already explained had the case been an ordinary one I should have preferred ~~the case~~ if being settled by the Crown Solicitor, but I well conceive that there are ~~several~~ exceptional cases which require different treatment, which must be within the discretion of the Minister, and for reasons which he himself would have to vindicate.

100 MrWall. Do you think considering the surroundings of this case and having a ~~know~~ knowledge of it from its initiation, that it was one of those exceptional cases which might advantageously have been settled in the manner in which it was settled ? Taking Mr. Lyne's explanation I should think it was ~~necessary~~ desirable to settle it in that way. You will observe on reading the correspondence with the Crown Solicitor

that he does not for one moment intimate / insinuate that a settlement has not been effected . It is admitted on all hands that a settlement ~~has been legally effected~~

PUBLIC WORKS, N.S.W.
91/50 H
31/1
VALUATION BRANCH.

W.C.R. 91/1559

Department of Public Works,

Valuation Branch,

Sydney, 30th January 1891.

Minute Paper.

SUBJECT:— Report and Valuation on the claim of Charles Doyle (Trustees in respect of land at Woolloomooloo Bay resumed for Wharfage purposes

The Under Secretary
Public Works
Sydney

Particulars of claim

Claimants — J. McMason & Geo O'Donnell
Trustees & Executors of the Will
of Charles Doyle (deceased)

Area taken — About 1 a 0 r 26 p

Amount of claim — £151.500 - 0 - 0

Report

This claim is made in respect of land having a frontage of 303' 7½" to the water of Woolloomooloo Bay resumed for Wharfage purposes by Notification in the Government Gazette of 3rd April 1890.

The average depth from the Western boundary - Woolloomooloo Bay - to Victoria Street which is the Eastern boundary is about 190' and the area taken is about 1a 2r 6p.

This property is at present of great value. It is in two portions devided by a lane about 17' wide the first of which adjoining

Claim £151.500 - 0 - 0
Valuation £58.447 - 16 - 3

23 5

adjoining the Challis Estate has 253'7½"
frontage to Woolloomooloo Bay and the
other divided from the former by the
lane mentioned has 50' frontage to that
Bay.

A claim as made by George Hill
Thomas Batty Samuel Sheehy and E.H
Belisario amounting to £91.200.0.0 for
the same land but as advised by the Crown
Solicitor we have dealt with the fee simple
value of the land resumed which when
the amount has been agreed upon should
be paid into Court.

Valuation

303' 7½" frontage to Bay @ £175 per ft	£53,034.7.6
Forced sale @ 10%	5,313.8.0
	£58,347.16.3

This seems to be reasonable valuation
11/4/41

Claim £151,500.0.0
Valuation £58,347.16.3
Submitted for approval—

{Fifty eight thousand four hundred and forty seven pounds sixteen shillings and three pence}

J. B. Thompson
Richardson & French
Ltd
Millott & Wilson

NB This is not a further & separate award to that in claim of Hill, Batty, Sheehy and Belisario but is identical and must be read in connection therewith