

or candour. I cannot understand how he can have been in daily communication with me upon the subject of making up the deficiency in the Public Trust Fund and can have carefully abstained from any allusion to this £6,000, which really belonged to that Fund, nor do I understand how the Treasury can have led me to suppose that they were paying in one sum of money to the Public Account when they were really paying in another.

I have no official knowledge how or when the rents of the Dunedin Reserves were paid, but if Mr. Fitzherbert was a party to the transaction I have no doubt that he intended to pay it out of the Treasury balances, with the disposal of which it is no part of my duty to interfere, and doing which would have involved no breach of his honorable engagement to myself.

The repayment of the money drawn by the requisition of the 27th June was due in the fulfilment of an engagement; and had no such engagement existed, it is totally inexplicable to me why any part of that money was repaid into the Public Account at all. But the payment of the other £6,000 into the Public Account was incumbent on the Treasurer by law, so that he was a debtor to the Crown to that amount until the money was paid.

I have, &c.,

JAMES EDWARD FITZGERALD,

Comptroller.

The Hon the Colonial Secretary.

On motion of Mr. Carleton, *Resolved*, That the Chairman be directed to ask the Colonial Secretary if he wish to make a statement before the Committee close their inquiries.

On motion of Mr. Tancred, *Resolved*, That the Committee adjourn until Monday, the 7th September, at 11 o'clock a.m.

SEPTEMBER 7TH, 1868.

The Committee met pursuant to notice.

PRESENT :

Major Atkinson,
Mr. Cargill,
Mr. Carleton,

Mr. Rolleston,
Mr. Tancred.

The Hon. Mr. Stafford attended, and was asked the following questions:—

By the Chairman.] You have, I believe, read the report of the Committee, which was referred back to them on the suggestion made by one of the Committee, in consequence of your remarks in the House upon the subject: Have you any statement you would wish to make to the Committee on the subject?—I merely wished to guard the reputation of an absent colleague from a charge of deceit, which I considered was implied by the Comptroller's Memorandum. I objected to Mr. Woodward's evidence not being taken in writing, as the Comptroller's written statement had been attached to the report, and because the evidence given by the Treasury was not submitted to the House in connection with the report. If that evidence is now submitted to the House, I have no further objection to raise on that point.

The Committee then adjourned till Wednesday, 9th September, at 11 o'clock, to consider resolutions.

SEPTEMBER 9TH, 1868.

The Committee met pursuant to adjournment.

PRESENT :

Major Atkinson,
Mr. Cargill,

Mr. Carleton,
Mr. Haughton.

Mr. Rolleston in the Chair.

The Committee adjourned to Thursday, 10th September, at 11 o'clock.

THURSDAY, 10TH SEPTEMBER, 1868.

The Committee met pursuant to notice.

PRESENT :

Major Atkinson,
Mr. Cargill,
Mr. Carleton,

Mr. Haughton,
Mr. Rolleston,
Mr. Tancred.

Minutes of previous meeting read and confirmed.

On motion of Mr. Carleton, *Resolved*, That the Attorney-General's opinion of 30th August, 1866, and also that of 24th July, 1867, be appended to the evidence.

These opinions are as follows:—

1. "As to the general question, I can only refer to my general opinion given on 17th January, 1866, which is with the papers. I may add, that the opinion was given before the grant was issued. I have conversed with Mr. Domett on the subject, and have referred him to his minute on Mr. Mantell's letter dated 24th November, 1852. In this minute he says, 'The Otago scheme was to end on the 22nd of November last.' If no charter has been given to the Association, the Governor can grant the land, I suppose.

"The Governor's note, ordering the reserve to be made is on a letter of Mr. Mantell's, date April 1853; the note is dated June (and was, I presume, made in the same year). This was three or four months after the commencement of the Constitution Act here. By that Act, section 78 recites the fact that (there had been) certain terms of purchase, &c., had been issued by New Zealand Company,