

very inconvenient for you to hold office, because the elections were coming on ; but that you would hold on for a period.

59. I think you are mistaken ; he was not appointed until long after March, 1880. Telegram of the 4th March, 1880 : “ (Received 4th March, 1880 ; dated 4th.) New arrangement excludes late loan, for which work already done. No objection your commencing as Agent, subject conditions stated my letter last mail, with understanding you continue act Agent-General until relieved. Terms for any contemplated conversion to be submitted Government before publishing. —HALL.” That was in March, 1880, long before Sir Dillon Bell was appointed. He was not appointed until after Parliament rose in that year. That was the date Sir John Hall expressed the opinion that I was holding office for the convenience of the Government. My contention is that there was nothing that took place between November, 1879, and March, 1880, to alter the position I was in ?—Of course I can only give you my opinion ; but in all that time you took up no exceptional position to lead the Government to believe, as far as I could judge, that you intended to resign just as the loan was floated, or that you intended to make any claim until after the loan was floated. I have no hesitation in saying that, if you had taken up that position, the Government would not have submitted to it.

60. I quite admit that point seems not to have entered into your mind, but I assure you your telegram did convey that impression to me ?—If that is so, surely it was your business to communicate with us that you were going to claim commission for this loan, rather than raise the loan and claim commission afterwards.

61. If I had communicated with you, saying that I thought I should get commission for the loan, I should have been doing what you just now said would have been looked upon as trying to take advantage of the Government in an emergency, which I quite agree with you the Government would have been very indignant at. At that time, too, I was in a much closer relationship to the Government than an ordinary Agent-General, because you were consulting me almost as a colleague. To have made any claim at that time would have been very indecorous on my part ?—Yes ; we consulted you freely.

62. I wish to ask you about telegrams of Sir Penrose Julyan’s which have never been made public. For months past, in anticipation of this loan, the Government had obtained exceptionally heavy advances from various monetary institutions in England principally by assistance of Sir Penrose Julyan ?—Yes ; that is so.

63. To my amazement, as much as to anybody’s else, only five or six days before the loan was to be floated, Sir Penrose Julyan came to me and told me he had cabled out that he had ceased to be one of the Crown Agents, but that he was willing to give his services as an ordinary Loan Agent. To that the Government replied that I must retain Sir Penrose Julyan’s services. I think I was justified in doing what was necessary to retain those services. If his name had been withdrawn it would have been almost fatal to getting the loan. You will bear me out in saying it was a most critical period of the negotiation—a few days before we agreed to bring out the loan. It was almost impossible to get the institutions at Home to accept such an amount ?—Yes ; it was a very critical time.

64. Then, Sir Penrose Julyan received a reply, and I think I did also, that his services were to be retained. In putting it as you did, that he did not require to know what remuneration he was to receive, if I assure you that he absolutely insisted on it. Do you not think the other Loan Agents were acting rightly in agreeing to the condition, there not being time to communicate with the Government ?—No ; I always thought they ought to have communicated with the Government. I cannot suppose for a moment that a man in Sir Penrose Julyan’s position would have withdrawn simply because the amount of his commission was not agreed upon. I believe Sir Penrose Julyan would have been quite willing to leave the payment to the Government.

65. I assure you to the contrary. He insisted on having the amount settled in advance ?—Of course I can only give my opinion.

66. At the same time I wish to state that I cannot see it reflects in the smallest degree on Sir Penrose Julyan that he should ask that the terms should be settled before he acted ?—No ; of course I cast no reflection on Sir Penrose Julyan at all. I think very highly of him indeed. But I cannot help thinking that if the Agent-General had said I cannot pay this commission without communicating with my Government, he would have said it was perfectly reasonable.

67. I am not certain that the Government did not authorize me to make arrangements with Sir Penrose Julyan ?—I cannot say I am absolutely certain, because I have not seen the telegrams since the time they were sent, but to the best of my memory and belief there was nothing about payment in the telegrams.

68. Supposing that I ceased to be Agent-General whilst I was holding the appointment of Agent for Inscribed Stock, and that there was a large amount of that Five-million Loan still unconverted, and converted after I left the Agent-Generalship, do you not think that legally I am entitled to receive commission upon that ?—No, I do not think so ; but if it were shown that you had done any special work for the colony after you ceased to be Agent-General, I think it would be quite reasonable you should be paid.

69. If I held an appointment from the Crown, to which was attached the payment of a certain amount, what right has the colony to the use of my name without paying me for it ?—Well, to tell you the truth, it makes me uncomfortable to discuss such a question with a public man.

70. My contention is that, all along, as you yourself say, there was a proposition that when I ceased to be Agent-General I should be Agent for Inscription of Stock. You adduce technical reasons why I should not be paid whilst I was Agent-General. If, after I ceased to be Agent-General, and before I was relieved of the agency for inscription of stock, a large amount was done, do you not think that I am properly entitled to be paid for it ?—It would entirely depend upon circumstances. If you did work for the colony I think you should be paid for it ; but the mere use of