

upon the way we should estimate your claim? You go into the question of the probable amount that would be annually converted; can you indicate to us any means of calculating the remuneration you should receive for your services since you ceased to be Agent by what is contained in that letter?—I should be glad enough to abide by the estimate which supposed that over a course of ten years £10,000,000 would be converted; and that the payment each Agent should receive for the ten years would be £15,000, which was estimated to be a moderate one considering the enormous nature of the transactions. I should suppose, therefore, one-eighth of 1 per cent. is the payment to be made to me: that was the estimate I made at the time. I took a much more sanguine view of the effect of the Inscribed Stock Act than Sir Penrose Julyan or anybody else did at that time, and as it has happened my view was not sanguine enough, because it has been a gigantic success. There is no doubt a great deal more than £15,000,000 will be inscribed before the ten years come round. Already a very large amount has been inscribed. In reference to the smaller payments subsequently, Sir Penrose Julyan afterwards pointed out that the duties depended upon experience and ability for their performance, and not the amount of clerical labour given. Though we consented to receive the smaller amount, Sir Penrose Julyan did not think the first-named amount too much.

THURSDAY, 17TH SEPTEMBER, 1885.

HON. SIR WILLIAM FITZHERBERT, K.C.M.G., examined.

154. *The Chairman.*] At the request of Mr. Macandrew, who presented the petition, I asked you to be so good as to attend this morning, and, in order that you should understand the matter, I forwarded you a copy of the evidence already taken, and the petition?—Yes, I have read them. I have no personal knowledge of the circumstances of this case, but I have been acquainted with, and at one time have studied deeply, the finances of the colony. I have also had responsible work in respect of the negotiation and conversion of loans, and so far I, perhaps, may be supposed to understand these kind of questions. When asked by Mr. Macandrew to attend I said “Yes,” and have gone through the evidence which you forwarded to me very carefully, and have made myself as much master of the circumstances as here disclosed as I am able. I am now willing to state the impression made on my mind, going from point to point, if the Committee think it proper that I should so do, without answering questions categorically. Being personally unacquainted with the circumstances, but having a general knowledge of such subjects, I submit that perhaps that would be more convenient for the Committee.

155. I think I am expressing the wish of the Committee that you should adopt the course you suggest. At the same time, in the course of your remarks any member of the Committee may like to ask for information?—Of course in that case I will answer to the best of my ability. This is a claim for compensation in respect of non-payment, as is alleged, of commission upon the raising of a loan of five millions, and also for compensation for deprivation of office in respect of being Commissioner for the inscription of stock. First of all, with regard to this claim I have been much impressed with this preliminary point: that the claim, whether it may be hereafter found to be tenable or otherwise, at any rate has been kept alive by the claimant. What makes a great impression on my mind is that it has not been called up for an occasion, or anything that could be called an afterthought. So much for that. Then, with regard to another preliminary question. I am speaking now within the four corners of these two points of evidence of the 4th August and 7th September. I am impressed with this: that I think it may be taken for granted, after reading all the evidence, that the work in respect of which the claims are made was well done. Those are two preliminary points with regard to which I am expressing the conviction on my mind after a perusal and study of them. First of all, that the claim was not taken up as an afterthought, but was kept alive—I may say obstinately kept alive—throughout, from the period of its first conception; and, second, that the work in respect of which the claim was made was done to the satisfaction of everybody. Now, with regard to the claims themselves. The first is a kind of double claim, a claim in respect of negotiation and also in respect of conversion, for which an attempt was made, apparently not persisted in very much, in respect of a commission for each. I gather from these papers that that was not insisted upon by Sir Julius Vogel, and I think rightly. I think that would have been entirely untenable. We therefore reduce the claims to two: the commission on the negotiation of the Five-million Loan and compensation for deprivation of office. With regard to the first, it is alleged on the other side that, however desirous the Government might have been to meet the views of Sir Julius Vogel as to this claim, they were put out of Court—they were disenabled from doing so—because of the fact that he held office as Agent-General. And there lies the point—the crux. So far as receiving a commission whilst so acting as Agent-General, I think the Government were correct in their principle, and, technically, under these circumstances they were undoubtedly right, but in spirit I hold they were entirely wrong. The position at that time was that Sir Julius Vogel had been called to account because of his having joined a certain directory. That was held to be incompatible with his continuing to hold the office of Agent-General. In the communications that passed it came to this: that Sir Julius Vogel declined to give up his directory; and upon that there is a good deal of—let us say “fencing”—each holding his own opinions over a narrow ground. But I would call attention to this in the evidence given by Sir Frederick Whitaker—and it entirely concurs with the rest of the evidence: Sir Julius Vogel says: (No. 115, page 8, 7th September) “To which I replied this answer: ‘Cannot name time resign.’” Then the answer of Sir Frederick Whitaker is, “I recollect that, and it was considered”—that is to say, it was considered in Cabinet—that is the interpretation I put on the expression “considered”—“and we agreed that you must resign within a reasonable time.” That is to say, Sir Julius Vogel had received, as Agent-General, “notice to quit.” He could not therefore after that be