

it was not a question of retiring from the Agent-Generalship, but was merely a question of time in his own mind of retiring from the directorship?—If Sir Julius Vogel had fixed any time, any reasonable time, at which he would retire from the directorship, probably we should have agreed to that; but he did not. It was left quite indefinite, and that was our objection.

18. When the telegram of 11th November was sent by the Government, the particular question of Sir Julius Vogel retiring from the Agent-Generalship was then under consideration?—It was under consideration all along.

19. As an alternative to his resigning the directorship?—Yes.

20. When the telegram of the 11th November was sent, the Government had realised that he would not retire from the directorship, and had refused to leave the Agent-Generalship?—No, not altogether; his last telegram did not absolutely refuse. He said this: "Cannot name time resign. Shareholders would think it unfair entertain such intention now."

21. The Government, in their answer to this, said, "Agency-General incompatible other business. Government considering expediency relieving therefrom, appointing you Agent Inscribed Stock. Report fully by post arrangements you would propose; sketch scheme, estimate annual conversion. We should associate two Agents with you. Anxiously waiting news loan"?—We were considering the propriety of his leaving the office of Agent-General. You do not mean our depriving him of office, do you?

22. No, to a successor to him being appointed?—If he retired.

23. If he retired would be the same as "leaving;" it would be a request to him to retire; would it not mean that; he would not be dismissed, I suppose?—No; his coming to some arrangement which would enable him to retire from the Agent-Generalship on terms satisfactory to himself.

24. In his previous telegram he said he would not entertain the idea of resigning the directorship?—No, he did not say that.

25. That he would not then name the time to resign, because the "shareholders would think it unfair entertain such intention now." He says "now"?—It is the first time I have heard that interpretation put upon the word "now," and it seems to me an interpretation which is quite inconsistent with the tenour of the rest of the correspondence.

26. It shows how easily these short telegrams can mislead?—It is a very ingenious suggestion.

27. Your telegram to him was: "Wire names late Government knew assisting organise company, because statement respecting this knowledge reasonable time be allowed you arrange retire. Present Government agree inexpedient you remain director, or engage Home politics"?—What it means is this: that he would be allowed time to arrange for retiring. That was the first telegram sent by the Hall Government on their taking office.

28. The next telegram you sent was, "Agency-General incompatible other business. Government considering expediency relieving therefrom, appointing you Agent Inscribed Stock at centage. Report fully by post arrangements you would propose; sketch scheme, estimate annual conversion. We should associate two Agents with you. Anxiously waiting news loan." Of course, Sir Julius Vogel's statement is that when he received the telegram that the Government were considering the expediency of relieving him from the Agent-Generalship, that that meant that the Government had understood that Sir Julius's reply that he could not name time to resign, had been accepted as a statement that he would not resign the directorship, and that the Government had decided that he could not resign the Agent-Generalship?—I cannot see how that can be the meaning of it. The words are, "Cannot name time resign."

29. Why should the Government be considering the expediency of relieving him from the office?—They thought it would be a satisfactory way out of the difficulty for Sir Julius Vogel.

30. *Hon. Mr. Reeves.*] Will you kindly read the telegrams that passed between yourself and Sir Julius Vogel?—On the 9th October Sir Julius Vogel telegraphed as follows: "Some members Government knew I was assisting organize company, and I find shareholders would not think it fair me to resign for some time to come." Then I came into office as Premier, and on the 3rd November I telegraphed as follows: "Wire names late Government knew assisting organize company, because statement respecting this knowledge reasonable time be allowed you arrange retire. Present Government agree inexpedient you remain director or engage Home politics." His answer, on the 7th November, is as follows: "Stout certainly, and best my belief Macandrew and Ballance. Cannot name time resign. Shareholders would think it unfair entertain such intention now. Am willing to take Loan Agency, payment by percentage, and act Agent-General without salary long as suits Government. Reply."

31. *Mr. Vogel.*] In your explanation to the House afterwards, you mentioned that you considered Sir Julius Vogel was holding the office of Agent-General for the convenience of the Government; and that had reference to his candidature for Falmouth?—Yes. If I remember aright, the Government were in this position: a general election in England having come up very suddenly, it would have been very difficult to appoint a fresh Agent-General at once. The election, as the Committee doubtless are aware, came upon us like a thunder-clap, quite unexpectedly. The Government were not previously aware that Sir Julius Vogel was persevering in his intention to stand for Falmouth, because he had been told distinctly that he could not engage in Home politics; but when the dissolution of the Imperial Parliament suddenly took place, we heard that he was standing for Falmouth. We were in a difficulty. If we at once cancelled his appointment, we should have been left without an Agent-General, and under these circumstances we allowed the matter to stand over; and in the course of a fortnight it was settled by his rejection for Falmouth. It is mentioned somewhere in Sir Julius Vogel's evidence that the Government were aware that he was not drawing salary at the time he was a candidate for Falmouth. The fact of his drawing a salary might have disqualified him, as being a paid Government servant; but the New Zealand Government was never aware of his not drawing his salary until afterwards.