Mr. Barton.

473. Did the letter state that the Manager had recommended a reduction?—I did not say that the letter stated that the Manager had recommended a reduction. I said the reduction the Manager had agreed to recommend. It appeared to me that on consideration of these circumstances—the delay in the transmission of the telegrams, the unexpected obstacle of the 200 words provision placed in the way of the transmission of telegrams, and also the refusal of the reduction—that the Government were determined to oppose the Press Association as far as they could, through the Telegraph Department. In other words, I considered that the Telegraph Department was under Ministerial influence of a political character. With reference to the charges themselves, and the view I took of the matter, I should explain that I never had any fault to find with an officer of the department, with operators, or men in charge of stations, but that the complaint referred solely to the Ministerial management of the department. I come next to the telegram of the 30th September—the Bluff telegram. These telegrams arrived, I think, on the morning of Friday, 30th September, 1870, and were coming through at ten o'clock. The first item of news was that Napoleon was a prisoner in Prussia. The excitement in Dunedin was very great indeed, in fact, unexampled. The Daily Times office was surrounded by a crowd of people from ten o'clock to two, who were waiting for these telegrams. We received them in slips at about an interval of an hour, 200 words at each time. The public was very much incensed at this delay, and freely attributed it to mercenary views of the proprietors and publisher of the paper, whom they accused of delaying the publication of the telegrams for the purpose of increasing the sale of the extras. Considering it my duty to free the paper as far as possible from the charge, which was likely to damage it in public estimation, I said next morning that the delay was not owing to any fault on the part of the paper, but simply to the action of the Telegraph Department, which delayed the transmission of the telegrams; that was in a paragraph that appeared in the Daily Times. On Saturday, 1st October, I received a telegram from the Evening Post, which is published in this article of the 3rd October, 1870. I had asked the Evening Post how they had received their telegram, as I was anxious to find out any unfairness with their transmistion as before. They sent me back that reply. That reply stated that the *Independent* had published a telegram, word for word the same as that transmitted for the *Post*, and accounting for it by saying that the *Independent* must have been supplied with a copy of that telegram from the Telegraph Department. Now, I will state the circumstances which led me to come to the same conclusion upon the subject. It was part of the arrangements I had made for this Association that the Argus in Melbourne should supply us with mail telegrams arriving by the Suez boat. I was aware that on that occasion when the "Gothenburg" left Hobson's Bay for New Zealand, the Suez telegrams were coming through the wires from Adelaide to Melbourne, and, knowing that the Argus always had priority in the receipt of mail telegrams, I also knew that no other agency but the Argus could have been receiving those telegrams at that time, and I also knew that the "Gothenburg" had been detained in Hobson's Bay for the purpose of receiving the latest telegraphic news before sailing for New Zealand. The telegraphic despatch for the Otago Daily Times, that is for the Association, had been telegraphed from Melbourne to Queenscliff, a distance of 40 miles, to the agent, Mr. Singleton, with instructions to put it on board the steamer as she was sailing out. I wrote to the manager of the Argus for full information on this subject. He sent me a letter stating the facts—to the effect that the despatch put on board the Gothenburg for the Otago Daily Times was the only despatch which could legitimately find its way to New Zealand with the late news.

474. Have you that letter?—I have not got it here, it is in the Times office.

475. Has it been published?—Yes, at the time you were in Dunedin. The morning after your speech in which you said that the purser had supplied the *Independent* with news. I published it to show that your statement could not have been correct. The manager of the Argus sent me a letter from Mr. Singleton, in which he stated that he had put the telegraph despatch for the Daily Times on board the "Gothenburg" as she was steaming outside the Heads, and that to his certain knowledge no other despatch was put on board, as his was the only boat that boarded the steamer. He stopped the vessel by flashing a blue light when she was passing out. I was satisfied then that as the Daily Times, or rather the Press Association, was the only legitimate receiver of this late and important news, Times, or rather the Press Association, was the only legitimate receiver of this late and important news, that if that news had been simultaneously published by any other paper outside the Association, it must have been improperly obtained. I produce letters referred to. [Reads letter from Hugh George to G. B. Barton, dated 23rd December, 1870.] Mr. Vogel stated at Dunedin that the explanation of the whole matter was very simple, and used these words, "The purser who had charge of the message for the Independent called at the Argus office before leaving Melbourne. He was personally acquainted with Mr. George, the manager, he received the information from that gentleman, and he afterwards furnished the information at Southland to the operator of the Telegraph Office, who forwarded it to the Independent." The second letter from Mr Hugh George, says [Reads letter.] Knowing these facts, Vide Appendix and knowing that our own telegram was the only one that could have been legitimately received in the and knowing that our own telegram was the only one that could have been legitimately received in the Colony, I came to the same conclusion with the Evening Post—that is, that the Independent, having published the same telegram word for word, had improperly obtained the telegram, and feeling very strongly that the existence of the Press Association was at stake, and that it had to contend against the Government, I thought it necessary to write in the paper upon the subject. It was what I considered an abuse of Ministerial power, maladministration of a very important department, and at the same time an unjustifiable attempt to crush a private enterprise. I accordingly wrote the articles which were made the basis of the prosecution against me, and I may be allowed to state that, since then I have found no reason to retract the opinions I then expressed. Perhaps I may also be allowed to say that the explanation given by the Government—that is by the witnesses, in the Resident Magistrate's Court at Dunedin—and by Mr. Vogel in his speeches in Dunedin, have failed to satisfy me that the statements made by me with reference to those particular telegrams were incorrect. It seemed to me that the theory set forward by the Government did not satisfactorily account for the difficulty with respect to that mail telegram at the Bluff. In the first place, I wish to call the attention of the Committee to these important facts as I conceive. Immediately after the publication of these articles in the Daily Times, the Ministerial journal in Wellington, the Independent, which was generally in the habit of affording what appeared to be Ministerial explanations of suspicious circumstances,