

21. When was that arrangement made?—There was no definite arrangement made, except when the matter of the sale of the previous debentures was put into my hands some three years ago—that I was to have $1\frac{1}{2}$ per cent. That was in connection with another matter altogether. The two companies asked me to sell their debentures—their 7-per-cent. debentures. That fell through. I offered them to the Insurance Association. The reason they were not sold was because of the Government guarantee not being concurrent with the period of the debentures. It was not until the 21st of September that I received the request to make an offer of the present debentures. When they were put into my hands in this way I thought it was subject to a similar arrangement to that previously made.

22. Had you any communication with any person—with any members of the Board of Directors of the Waimate Company—about carrying such a measure for the purchase of these railways or its passage through the House?—No. There were general communications with me, as member for the district, as to the expediency of the Bill passing, and the necessity of something being done.

23. Do I understand there was the previous session constant communication with you as to the passing of this measure?—No, I could not say “constant;” but on occasions—that is, on more than one occasion—I was spoken to about it. It was, indeed, a matter that was spoken about at my public meetings. The ratepayers were complaining very much of having to pay a larger amount than was at all necessary.

24. Did you, in connection with the passing of this measure, obtain, or seek to obtain, the certificate of anybody—any member, I mean—any certificate, or anything equivalent to that, that you had done your best, or worked hard with the view of passing this measure?—Yes; there was something of that sort. Mr. Buckland had expressed his opinion that, had it not been for my earnest efforts in the matter, the Bill would not have passed. I said to him that it might be useful to me at some of my political meetings if the electors were told that, and I would be glad if he said so in writing.

25. You got a certificate?—No.

26. Did you write to him?—I wrote to him a letter as one member to another, and said, “If you will state what you said to me the other day in writing, it might be very useful to me.”

27. Which Mr. Buckland was it?—Mr. J. C. Buckland.

28. Was it signed by any other person?—No.

29. Did you get any certificate from any other person?—No.

30. Are you under any monetary obligations to any directors of the Waimate Board?—No.

31. Have you shared your commission with any one?—Nor agreed to do so, nor has any one had anything to do with this transaction but myself.

32. *Mr. Fulton.*] Has there been any difference of opinion as to commission?—Not the slightest.

33. Has the commission been paid?—The only company that has received its money—in part—has been the Rotorua Company. On their receiving the amount they wired my commission on the first instalment.

34. You have been paid no commission except on the first instalment?—That is all.

35. What did that amount to?—£547, or thereabouts.

36. Had the negotiation for the sale of these debentures taken place between you and the Waimate Company before the passing of the District Railways Purchasing Act?—No.

37. And did it include any transactions in connection with that?—Certainly not. I have stated that three years before there was a negotiation for the sale of the Duntroon debentures.

38. Which were they?—Their 7-per-cents.

39. Did it occur to you at all that your conduct was likely to be misunderstood, inasmuch as you were a member of Parliament?—It did not strike me that a member of Parliament was not at liberty to sell property during the recess. I had no idea of such a thing.

40. What advantage to the Government would accrue from your dealing as an intermediary?—None to the Government.

41. Then the Government might have purchased these without your intervention?—I imagine they could.

42. Presumably they might have done so at a better figure?—I do not think so.

43. Presumably there would be your commission to come off?—Yes.

44. The company would take that into consideration in the sale?—I do not know whether it would or not; that is not for me to say.

45. Then, it was only after the passing of this Act that you became interested in the sale of these debentures?—Clearly. I had no idea that I should be asked to act in that capacity at all; it was quite a surprise to me that I was asked.

46. Did the suggestion as to the sale come from yourself or the Government?—The Government did not have anything to do with it.

47. The first mention of it appears in a telegram from Sir Julius Vogel to you?—No, not from me.

48. How was it that you charged a less percentage for the Rotorua debentures than for the others?—The others were a small parcel. The previous transaction was in my mind. I had no special reason to alter the terms offered to me previously, but in order to bring the two parties together I offered to take less.

49. Then, did the Government gain anything by having you as an intermediary?—I am not prepared to say.

50. Did they not lose $\frac{1}{2}$ per cent.?—I do not think so.

51. Was it not competent for them to have dealt directly with the Rotorua Company?—It was.