

112. *Hon. Sir R. Stout.*] At this second interview, when you mention about Fraser, did I not tell you that if the mine was transferred to anybody I would see that your wages were paid—that they would be a first charge on the transfer of the mine?—No.

113. When I told you that Allen was going to take the mine over, did I not tell you that it would be made a condition in his taking the mine that he would pay you?—I have told you what took place.

114. *The Chairman :* You can either answer Yes or No.

115. *Hon. Sir R. Stout.*] Did I not say that Mr. Allen was willing to take over the mine, and that I was willing to give him the first year of the railway for almost nothing—only a small sum for royalty?—In reference to Mr. Allen or Mr. Andrews?

116. Mr. Allen?—That was on the balcony at your office.

117. Did I not tell you that there were negotiations with Allen going on, for taking the mine over?—Yes.

118. And that Allen would give you bills?—Yes.

119. And in order to enable Allen to do that I was willing to forego part of the rent for the railway?—Yes.

120. The reason that I gave was that I did not want to see you and the others lose their wages?—Yes, it may have been.

121. Do you not remember at that second interview that I said I would see you paid before any other individual?—Of course, I understood that you were arranging with Andrew to get that done.

122. When I met you in Wellington, did I not tell you that Gray had seized the mine, and would not allow the transfer to Allen?—Yes, I believe you did.

123. And that I had thereby been prevented from getting a tenant for the railway, and could not get anything out of it?—Yes.

124. And that you had better sue Gray, as he had kept possession of the property?—No; not in those words.

125. Well, to that effect?—You may have had that meaning, but it did not convey itself to my mind.

126. That that was the reason why you should sue Gray?—You may have looked at it in that way.

127. About that dummy. Did I not tell you that as Gray has kept possession of the property, and thinks he is the owner, you had better sue him?—No; not that way.

128. Well, to that effect?—No.

129. Have you helped Gray to carry on the mine?—No.

130. You have not put any money into it?—No; not one shilling.

131. You have come to no arrangement with him?—No.

132. When Mr. Gray apparently took over this mine, did he make no arrangement with you about wages?—No.

133. *The Chairman.*] Was there any alteration in your position at all?—No. I was all along an ordinary workman on the railway-line. While Mr. J. Logan had the business everything went on well.

134. If this mine had turned out a success, should you then have looked to Gray for your wages?—I do not know really whom I had to look to.

135. *Mr. Moore* (to *Hon. Sir R. Stout*)] In reference to the statement made by Hamill that you offered to give cross bills in connection with the transaction with Allen?—I may have said that if Allen chose to give him bills I would have discounted them for him. I did not mention cross bills.

136. You did not intend to take the responsibility of paying the wages?

*Hon. Sir R. Stout :* Not at all. I very likely may have said that I would discount his bills. Allen was a man of fair means, and if he had given Hammill bills I would have met them and discounted them. Hamill wanted to go to San Francisco. Is that not so, Mr. Hamill?

*Witness :* Yes. I did intend to go there.

137. *Hon. Sir R. Stout.*] And if you had got Allen's bills I would have discounted them?—Yes.

138. *Mr. Valentine* (to *Hon. Sir R. Stout*)] You have stated in one part of your evidence that the railway was yours?—Only as mortgagee.

139. You were not responsible for the wages of any of the workmen?—No; I am only mortgagee, with my partner.

140. Hamill has said that he always looked to you for payment?—No. He came to me when the thing was closed.

HENRY HOWORTH, Solicitor, examined.

141. *The Chairman.*] Will you make a statement? I understand that your testimony was required with reference to the land itself?—I was solicitor for the railway company, and also a director in the company.

142. *Hon. Sir R. Stout.*] I think you had the main share in the negotiations?—It was almost entirely in my own hands.

143. Who were the owners in the freehold?—John and David Andrew.

144. Did the land belong to David Andrew, senior, or David Andrew, junior?—David Andrew, senior. It stood in David Andrew, junior's, name.

145. David Andrew, junior, says the land was given to him about Lonney's time?—Yes; the old man was guarantor for Lonney, and he passed this land to David for security. The father was always in possession of it, and his sheep ran on it. He had everything to do with it.