

65. You charge the big papers more?—A list is made out.

66. Does the question of circulation enter into it?—No.

67. Not the question of circulation?—No. I could take a first-class service if I could afford to pay for it. That is one of the features. The matter which the subscriber has to take into consideration is whether he can afford the annual contribution.

68. What he can afford?—What the directors consider he can afford.

69. Suppose this case: that in one city there was a strong paper; that in the same city there was a weak paper, which everybody knew to be weak: would not the annual fee for both for the same service be the same?—Yes, decidedly, so long as they took a first-class service.

70. Then, it is not a question of the strength of the paper, but of a particular locality?—Whether they can afford to take it.

71. In Oamaru, I am told, there is one paper that takes a first- and one which takes a second-class service?—That is a matter for their consideration in regard to the want of the district. Where I am, a second-class is all that I am warranted in taking.

72. If this entrance-fee were abolished, would you have a large increase of newspapers?—The members of the Committee would be able to judge of that as well as I could.

73. You cannot express an opinion on that?—I can only say what would likely be the case. We know there is a person who goes about the colony and starts newspapers and then sells them: if there is a large admission-fee I do not think he would do so much in that line.

74. But he plants his papers notwithstanding?—He has done so. I do not know whether this is the proper time for mentioning it.

75. Do you consider that the effect of the entrance-fee in preventing the starting of newspapers is likely to affect the telegraph revenue of the colony?—I do not think so.

76. You do not think so?—No.

77. Will you explain your answer?—In the first place, I do not think that if many more newspapers started they would last long; the revenue would be only temporarily augmented.

78. New Zealand, you think, is already over-papered?—Speaking from my own experience, I should say Yes. There are three daily newspapers in Napier.

79. What is the population of Napier?—Nine thousand.

80. What is the population of the surrounding district which the papers serve?—I could not say.

81. Do you think that the fact of having an entrance-fee would prevent the starting of newspapers that would take up an unpopular cause or representing particular phases of public opinion?—I think it is likely it would have that effect.

82. Do you think it a good or a bad thing that there should be the fullest possible and the free expression of opinion in the country?—I think the existing newspapers afford plenty of opportunity for that; it seems to me there are quite enough in the colony. I should state that, in answering these questions, I have no desire to be disrespectful to the Committee, or to give the impression that I am hostile to the questions put to me.

83. Your name has been mentioned in connection with the starting of a paper at Hastings. As a matter of fact, the Association demanded £500 as an entrance-fee?—That is so.

84. And these people agreed to pay it?—Yes. I am now speaking from Mr. Attack's report to me on the subject.

85. You know that they paid a cheque for £300?—Yes.

86. And they agreed to tender a bill for the balance?—The manner in which the business was done was this: He asked the amount, and was told £500. He said it was a big sum: "Would we accept by taking it in part cash and part by bill at three months?" The matter was reported to me, and I replied, "Yes; if the bill is 'suitably' indorsed." I took no objection to the postponement of payment if the bill was suitably indorsed. It was referred to me personally by Mr. Arnott. He came to me and said he had been referred to me in order to give me the name of the person who was to be the indorsee of the bill. The name he mentioned, I think, was Mary Cashion. I did not know such a person. He said, "It's all right; she lives at Masterton." I said I could not accept her, as I did not know her; I did not know anything about her. I was bound to believe she was all right, but not right enough to enable me to take her indorsement to a bill for £200, seeing that I was the executive officer of the Association. I said I could not call this a business transaction. I asked him if he could name some one whose name I could accept, such as Captain Russell or the Hon. Mr. Ormond or Mr. J. N. Williams; or any suitable man of business in the district. He then asked me if I would take a bank guarantee, and I said in reply to that that I only wanted a suitable indorsement, or a bank guarantee would do. He then went away. That was on a Tuesday. On the Friday following he came back. Having some other business on hand, I went to my front office, when he handed me a promissory note, signed "Mary Cashion," and on the back "W. D. Arnott," and, some distance down from that, something "Cashion." The application for the service had been made in the names of two persons—Arnott and Cashion. I told him I could not take this bill. He said, "Why?" I replied, "In the first place it is not your bill; when that bill becomes due it may be found that the maker has had no value for it; and in the next place it should be your own bill." He then said, "Will you take a bank guarantee?" I said, "Where is it?" He then said, "You can telephone to the Union Bank and get the guarantee." This seemed to me absurd, and I wrote on a slip of paper that what we wanted was the bill suitably indorsed or the guarantee of the Union Bank. He then said, "If I get this, will you guarantee that we get the service on next Monday?" I said he would if it were possible, for in the meantime it would be necessary to communicate with the agents throughout the colony. I told him if it were possible to do so it would be done, but that was a matter for Mr. Attack. He went out, giving me some impudence, which I did not quite understand—