

87. I will read you Sir John Findlay's telegram. It says, "A deputation interviewed me this morning in connection with the application of the Remuera Road Board for a loan totalling £84,000. I understand that the Department has raised some objection with regard to the security, which I think has been answered by the Remuera Board. If the whole loan cannot be authorized at present, £10,000 is urgently needed to carry on the work in hand, and that immediately contemplated. The position is aggravated by the fact that the men engaged in the work have recently been on strike, and the strike having now been settled, they desire to return to work." Now, the £10,000 was urgently needed to carry on the work—is that correct?—Yes, that is correct.

88. And if the £10,000 was not received?—£1,000 would have been sufficient to carry on.

89. If some of the money was not received, there was a possibility of the Board not being able to allow the men to return to work. That is so, is it not?—Yes, that is so.

90. Under those circumstances, did you not think that the advancing of the money before the election?—It was not advanced before the election.

91. That the obtaining of some of this money before the election and placing these men on the works would have some influence at election time?—No. I should like to say that if the money had not been advanced before the election they would have gone on. The assurance we had that this money was coming—it was held back till after the second ballot—enabled me to take the risk on the General Account. We held back payments to contractors.

92. Do I gather from you that there was no necessity for this telegram, and that you could have carried on?—There was a necessity for the telegram: that was the reason of our going to the Minister.

93. In November there was urgent necessity for the money?—Yes, we were dealing with the General Account and holding back payments to contractors.

94. And if the Advances Board had not complied with that urgent request the works would probably have been stopped until you had some of the money?—Yes, or some assurance that we would get the money. That was not known to outsiders.

95. The telegram further states, "Kindly let me have a reply as early as you can, which I may use"?—Yes.

96. Sir John Findlay says he wished a reply so that he could assure the men that the application to the Government was *bona fide*?—What men?

97. There was a deputation from the local body—and the strikers that had waited on Sir John Findlay, and he wanted a reply that he could show to this deputation that had met him?—I did not think he wanted to be pestered with us. He did not seem to mix with the electors, and did not want to talk with supporters. He said, "What do you come here for? If there is a murder or a death you blame the Government." He was rather short with it. I said, "We came to you as a Minister of the Crown." I said, "If the whole of the men in Auckland are to go out again they say we are victimizing the men, and it is for you to give us some assistance." He took the thing as an ordinary matter, and got rid of it as quickly as possible.

98. In view of your address to the men and of the receipt or assurance of money from the Government before the election, you do not think that would in any way have a bearing upon the election at all?—On the particular electorate of Parnell, or the election of the Government?

99. Yes, on Parnell?—No, I do not think so. The bulk of the men lived in the Grey Lynn electorate.

100. Mr. Myers.] How many men did you address, Mr. Cawkwell?—I have not satisfied myself on that point, but judging from what I remember there must have been about thirty.

101. It is stated that there were about six of them electors in the Parnell electorate?—I was informed that.

102. How many do you consider of the number of men that you addressed were electors of Parnell?—I did not know who they were at first, but when I was up there I was told there were only about six men in the electorate, and I said, "That does not matter at all; I will give them an address."

103. So that as a matter of fact you were really addressing them only because of this message?—Yes.

104. You have had a great deal to do in connection with the administration of local bodies?—Yes, every form of administration of local bodies.

105. You have taken a great interest in social and political questions?—Yes.

106. And your experience in connection with this measure is that it has enabled you to provide drainage and water for the inhabitants of Remuera?—Yes.

107. At a much earlier period than you otherwise would have been able to, because you were able to get this money from the Government at 3½ per cent. instead of paying 5 per cent.?—Yes. If I went on the local market I knew I could not get that money. Mr. Parr went to Melbourne for £100,000, and he has not got that yet, and he is taking the money at call. I knew they could not get on with these works, and here was a Liberal Government that gave us a measure which provided the greatest good for the greatest number possible with County Councils in order to get loans, and I appreciated that.

108. As drainage and water affects the health and life of a community, the expenditure of money for those specific purposes is just as important as any other?—Much more important than backblock votes in many cases. That the Government should use money for metalling backblocks is absolutely of no use.

109. Dr. Newman.] What amount of overdraft did you arrange for with the bank?—I think, £3,000 or £4,000.

110. Was it exhausted at the time you interviewed Sir John Findlay?—It was getting near it. In fact, it was exhausted, because we had not paid our debts.