

Right Hon. Sir J. G. Ward: No, I did not wish to do that.

Hon. Mr. Allen: Well, some one is reflecting on the Minister, and without the Minister having had anything to say about it, and without being proved to be correct, the letter is put in evidence. I am astonished it should be done. I take it as a direct attack upon myself, and quite an unjustifiable attack. There is no evidence as to whether I said anything about the Birkenhead Council or what I did say, and this letter is put in without any supplementary evidence. I am astonished that it should be done.

Right Hon. Sir J. G. Ward: I do not know what has been said, but I am not in any way attempting to reflect upon the Minister. The statement has been made that the State-guaranteed Advances Board was making advances for political purposes. I have not communicated with any one. That letter came to me, and as a matter of procedure, because of the fact that it states in that particular case the men were opposed to me politically, I felt I was justified in putting it in.

Hon. Mr. Allen: As a matter of courtesy I think Sir Joseph Ward should have submitted the letter to me in order to see what reply I had to it.

Right Hon. Sir J. G. Ward: If the Minister objects I do not mind.

The Chairman: If the Minister objects to it I feel it my duty to say that I cannot allow the letter to go in.

Right Hon. Sir J. G. Ward: Very well, I had no intention of reflecting on the Minister.

FRANCIS MARION BATES FISHER sworn and examined.* (No. 19.)

1. *The Chairman.*] You are a member of Parliament?—Yes.

2. *Right Hon. Sir J. G. Ward.*] You made a statement in the House regarding a loan which you say had been advanced to Taihape by the State-guaranteed Advances Board?—Will you read the statement. I should like to know what I said.

3. In *Hansard*, Volume 160, page 586, you say, "What happened? Is it a mere coincidence what happened when the by-election took place at Rangitikei when Mr. Smith was elected to the House? Thirty thousand pounds was paid into the local bodies' account in a small town like Taihape. What for? We were told to-night that among the exceptions is lighting. Why, the Town of Taihape to-day is electric-lighted by some of the money promised shortly before that election. A specific grant, in my opinion—I only give it as my unsupported opinion—but, in my opinion, the grant was made to the electorate, when the public feeling ran high, for the purpose of buying the Town of Taihape." Is the honourable gentleman aware that the State-guaranteed Advances Board has not made any advance to Taihape at all?—No, I am not aware of that.

4. Well, if it is a fact that they have not made any advance to Taihape, would the honourable gentleman be justified in making that statement?—I would like to get it officially.

5. I propose to call evidence?—Do you say that no advance has been made by the State-guaranteed Advances Board to Taihape?

6. I have reason to believe that no advance was made to the Borough of Taihape?—Well, I think you will find there has been.

7. I do not think it was in existence?—Well, sir, if it is quite true that at the time of the by-election which Mr. Smith contested the State-guaranteed Advances Board was not in existence, I believe it is true that an advance of £40,000 was made to the Borough of Remuera by the State-guaranteed Advances Board.

8. I am not talking about Remuera?—It does not make any difference; the principle is precisely the same.

9. I am talking about the statement?—I am talking about the principle.

10. I am asking you about the statement concerning Taihape—was the State-guaranteed Advances Board in existence at the time?—I am sure it was not. I did not say it was made by the State-guaranteed Advances Board.

11. Do you say the advance you refer to was made by the Government at all?—All I will say is that the sum of £30,000 has been advanced to the Borough of Taihape.

12. Will you say that was an advance by the Government?—Yes.

13. Will you swear that?—No, I would not swear to it. I am not coming here unprepared and be asked to swear to figures of that kind; but I know a loan of £30,000 has been advanced by the Government to the Borough of Taihape, and that the fact that this advance was about to be made was known to the people of Taihape. There was an election taking place, and that advance was made just before the election.

14. You know the advance referred to was a sum of £30,000, and you say an advance by the Government?—Yes, part of it under the Loans to Local Bodies Act and part under the State-guaranteed Advances Board.

15. As I propose to call the Superintendent upon this point I will not address the honourable gentleman further, and I think you will find that the statement you have made is not correct?—If you are going to get a statement made by the Superintendent I should like to put in a short statement by myself first. There have, I understand, been four loans granted to the Taihape Borough Council. There was a loan of £4,000 to complete waterworks. The date of the application for provisional approval was the 10th November, 1911. That is the State-guaranteed Advances Department, which Department Sir Joseph Ward says "has never made an advance to Taihape."

16. No; I referred to an advance of £30,000?—The date of the provisional approval of this loan was the 20th November, 1911, the date of the final approval was the 6th May, 1912, and the date of the payment of the £4,000 was the 23rd May, 1912. Then, the second loan, of £1,025, under the Local Bodies' Loans Act, to extend the drainage system: the date of the preliminary